

# COUNTY OF LAKE

## State of California

Comprehensive Annual Financial Report  
Fiscal Year Ended  
June 30, 2018



**Cathy Saderlund**  
**Auditor-Controller**

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**County of Lake  
State of California**

**Comprehensive Annual  
Financial Report**

Fiscal Year Ended June 30, 2018

County of Lake  
Auditor-Controller's Office

Cathy Saderlund  
Auditor-Controller

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## **INTRODUCTORY SECTION**

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## **COUNTY OF LAKE**

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**Cathy Saderlund**  
Auditor-Controller/County Clerk

**Carol J. Huchingson**  
County Administrative Officer

March 28, 2019

The Honorable Board of Supervisors  
County of Lake  
255 N. Forbes Street  
Lakeport, CA 95453

### **To the Board of Supervisors and Citizens of Lake County**

It is our pleasure to present the County of Lake Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This report is submitted in compliance with Sections 25250 and 25253 of the Government Code of the State of California.

Responsibility for the accuracy of data, and the completeness and fairness of the presentation rests with management. To the best of our knowledge and belief, the data presented are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the County of Lake.

Independent auditor CliftonLarsonAllen, LLP Certified Public Accountants, has issued an unmodified ("clean") opinion on the County of Lake's financial statements for the year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) provides a narrative introduction, overview and analysis of the financial statements. It is located immediately following the independent auditor's report and serves to complement this letter of transmittal.

### **Profile of the Government**

Established in 1861, Lake County is a general law county governed by a five-member Board of Supervisors. The County encompasses 1320 square miles and is divided into five supervisorial districts. Policy making and legislative authority rests with the five-member County Board of Supervisors who serve four-year staggered terms. The Board of Supervisors uses the appointed County Administrative Officer organizational structure to carry out policies set forth by County Ordinance and Resolution. Other elected officials of the County of Lake are the Assessor-Recorder, District Attorney, Auditor-Controller/County Clerk, Sheriff-Coroner and Treasurer-Tax Collector. The voters of Lake County choose these public officials for four-year terms. Additional management consists of sixteen department heads appointed by the Board of Supervisors, one appointed by the University of California, and one appointed by the Lake County Superior Court Judges.

California counties are a political subdivision of the State of California and serve the needs of residents within the boundaries of each individual county. Lake County serves the needs of local residents by providing public safety, highways and streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services. The County also acts as an administrative agent for state and federal government programs and services.

The County is required by state law to adopt a final budget each year. This annual budget serves as the foundation for the County's financial planning and control. Budgets are adopted for all governmental and proprietary funds and are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The legal level of budgetary control is maintained at the fund, department, and object level with more stringent control over capital assets, and fund balance categories, which are maintained at the line item level. The Board must

approve amendments or transfers of appropriations between funds or departments as well as items related to capital assets or fund balances. Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must also be approved by the Board. The Board has delegated authority to approve transfers of appropriations between object levels within the same department to the County Administrative Officer.

### Policy and Executive

Mokey Simon  
Supervisor, District 1

Jeffrey Smith  
Supervisor, District 2

Jim Steele  
Supervisor, District 3

Tina Scott  
Supervisor, District 4

Rob Brown  
Supervisor, District 5

Carol J Huchingson  
County Administrative Officer

Anita Grant  
County Counsel

#### Law Enforcement/Public Safety

Brian Martin  
Sheriff-Coroner

Don Anderson  
District Attorney

Bill Davidson  
Animal Control Director

Rob Howe  
Probation Officer

#### Health and Public Assistance

Denise Pomeroy  
Health Services Director/VSO

Doug Gearhart  
Air Pollution Control Officer

Gail Woodworth  
Director of Child Support Services

Todd Metcalf  
Behavioral Health Director

Crystal Markytan  
Social Services Director

#### Community Resources and Facilities

Steve Hajik  
Agricultural Commissioner

Christopher Veach  
Librarian

Lars Ewing  
Public Services Director

Jan Coppinger  
Special Districts Administrator

Rachel Elkins  
UC Coop/Farm Advisor

Michaelyn De Valle  
Community Development Director

Scott DeLeon  
Public Works Director/DWR

#### General Government and Support Services

Richard Ford  
Assessor-Recorder

Barbara Ringen  
Treasurer-Tax Collector

Cathy Saderlund  
Auditor-Controller/County Clerk

Carol Huchingson-Interim  
Human Resources Director

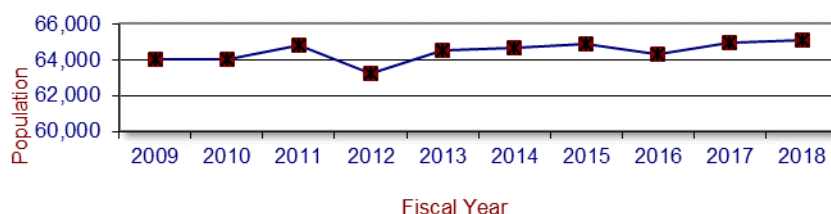
Diane Fridley  
Registrar of Voters

Shane French  
Information Technology Director

### County Geography and Demographics

Lake County is located a 2 hour drive time from the San Francisco Bay area and the Sacramento metropolitan area. It is approximately 127 road miles north of San Francisco, 126 road miles west of Sacramento, and 80 road miles east of the Pacific Coast. Lake County is bordered by the counties of Napa, Sonoma, Mendocino, Glenn, Colusa and Yolo and covers an area of approximately 803,840 acres.

**COUNTY POPULATION  
LAST TEN FISCAL YEARS**

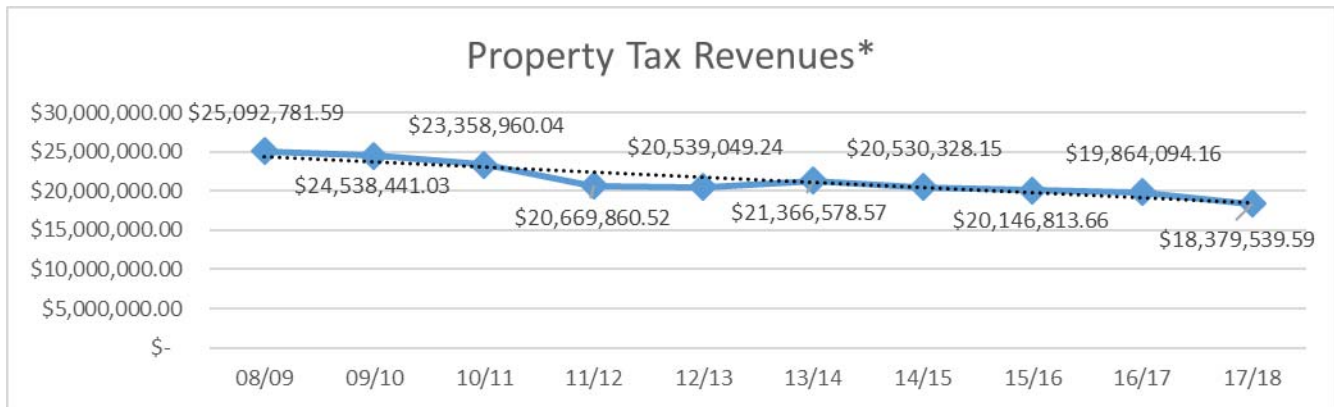


The State Department of Finance estimated Lake County's population as of January 1, 2018, to be 65,081. The population for the two cities in Lake County, Clearlake and Lakeport as of January 1, 2018, was estimated to be 15,917 and 5,134 respectively.

### Economic Condition and Outlook

#### The Great Recession Lingers

Slow recovery from the Great Recession of 2008-09 is a statewide crisis, and few places have been harder hit than Lake County. As shown below, 2017-18 Property Tax Revenues were more than 25% less than our pre-recession totals. In other words, we are operating with less than 75% of the Property Tax Revenue that we had before the recession.



### Disaster Recovery

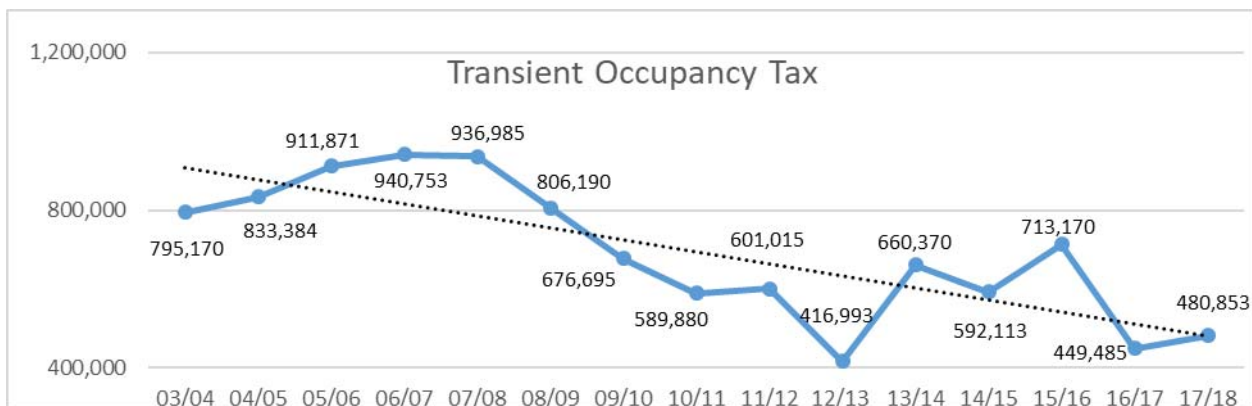
Our unprecedented disasters since 2015 destroyed 1,800 local homes, just over 5% of Lake County's total housing units. To lend some perspective, the horrific North Bay firestorm of 2017 consumed 2.55% of Sonoma County's housing supply.

The resulting loss of property tax revenue and the cost of disaster response and recovery have totaled over \$5 million to date, with an additional \$1 million continuing annual loss.

### Reduced Transient Occupancy Tax Revenue

Just prior to the recession, Lake County lost our primary driver of Transient Occupancy Tax (TOT) revenue, with the closure of our most prominent resort. The facility that served as the largest remaining contributor to TOT revenue was devastated in the wildfires of 2015, resulting in an additional loss of \$165,000 per year.

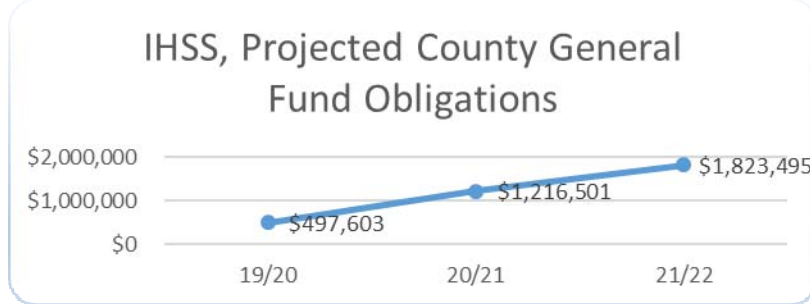
TOT receipts for 2017-18 totaled \$480,853, well below pre-fire levels. Like Property Tax revenue, TOT has been on the decline for many years, as demonstrated below:



**Minimum Wage:** Because of state-mandated Minimum Wage hikes, the current wages of nearly one fourth of County jobs will not meet minimum wage. Starting in January 2019, this mandate must be addressed, and the state is providing no new revenues.

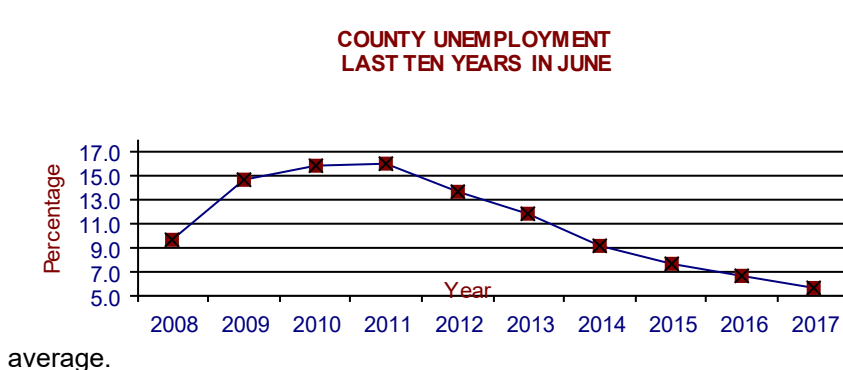
**Lakeside Heights Settlement:** When taxpayers sue taxpayers, there are no good outcomes. Forty-six Lakeside Heights property owners claimed damages against the County totaling \$230 million, and their claims were not covered by the County's insurance. Never in our history had the County faced a lawsuit of that magnitude. Though fault was never determined or acknowledged, the Board of Supervisors reluctantly agreed to a \$4.5 million settlement, that was accrued in FY 2017 and paid in FY 2018, to best manage the risk of much higher costs through litigation. The settlement cost has been borne entirely by the County's General Fund.

**IHSS Funding Uncertainty:** Most Lake County residents have been affected in some way by the In-Home Supportive Services (IHSS) Program, which offers elderly, disabled and blind individuals the opportunity to receive care in the comfort and safety of their own home. The Realignment 1991 funding stream was created decades ago to help counties meet IHSS costs, but it is no longer keeping pace. IHSS providers now earn minimum wage, which is about to go up and up and up. Realignment funds will bear the cost of the program through FY 18-19, but the County's obligation is projected to grow exponentially, thereafter.



**Construction:** County development permit revenue has fluctuated since 2012/2013 and an overall 365% increase has been the result during the past five years. County construction permit revenue has also fluctuated since 2012/2013 and an overall 140% increase has been the result during the past five years. The fluctuations correspond with one time development projects and the increase in construction permits during fiscal years 2016 and 2017, with fiscal year 2018 seeing a normalization of those permits.

**Real Estate, Sales Tax and Unemployment:** Notwithstanding the economic impact of the wildfire disasters, County staff is cautiously optimistic that the real estate market in Lake County will continue to see an upward trend in the coming years. One additional sign of a recovering economy in Lake County is that after declining for several years following the recession, sales taxes began increasing in fiscal year 2011/2012 reaching 95% of the amount received in fiscal year 2008/2009, and now have stabilized at pre-recession levels.



As of June 2018, the County's unemployment rate was 5.6% and Lake County continues to be ranked number 37 out of 58 counties. The statewide average at that same time was 4.9%. The County unemployment rate during June of the previous year was 5.7%, an indicator of a slightly improving unemployment rate in the County, yet still notably below the statewide

average.

### County Budget Overview

Even in the wake of multiple disasters since 2015, the County's fiscal year 2017/2018 budget is responsible and sustainable, focusing on maintenance of fiscal solvency both short and long-term. The budget strives to minimize negative impacts on service levels and where possible, improves services. The General Fund portion of the budget required the use of one-time funds, in order to be balanced. To do otherwise would have necessitated deep layoffs, rendering County departments unable to maintain basic service levels and preventing other impacted departments from providing essential services related to disaster recovery. Without disaster recovery and rebuilding, property tax revenues will never be restored.

County staff is committed to very conservative budgets for the next few years while we incrementally reduce our reliance on one-time funds to balance the budget. To fill this gap during these lean years, Fund 156 (formerly known as, "Economic Stabilization Reserve") has been renamed, "Budget Stabilization Reserve" and increased, using fund balance carryover from prior year. This fund will be used to reduce reliance on one-time funds and per our estimates, restore a structurally balanced budget within three to five years. Despite the use of one-time funds to balance the General Fund budget as noted above, "General Reserves" totaled \$7,000,000 at the end of fiscal year 2017/2018 which represents 15.1% of total General Fund expenditures.

County department heads, both elected and appointed, work cooperatively and successfully with the County Administrative Officer and Board of Supervisors on budget and fiscal matters. County leaders are continually seeking opportunities for improving efficiencies within our organization.

## **Major Accomplishments and Goals**

During the fiscal year ending June 30, 2018, County departments accomplished many objectives and continued progress in many areas while successfully performing their day-to-day responsibilities and duties. Examples include the following:

- Sold the Holiday Harbor and the old Lucerne Visitor Information Center properties
- Placed earthquake insurance on selected County properties
- Began the process of consolidating Cobb Water systems
- Began construction of the Clearlake Oaks Pedestrian Improvement project
- BOS approved or Drafted "Vision 2028: Reimagining Lake County," a ten-year plan combining Board goals and priorities expressed by the public
- Provided full recovery support to the City of Clearlake, helping County residents in the aftermath of the Sulphur Fire
- Harbin Springs and Mockingbird Lane bridge replacement projects have been completed
- Hosted public Community Visioning Forums in each Supervisorial District, to engage residents in realizing a brighter future

Future goals for fiscal year 2018/2019 include:

- Implement Vision 2028, working with departments and the Board to develop actionable steps in alignment with our ten-year plan
- Draft "Fiscal Crisis Management Plan" and present to the Board of Supervisors
- Purchase and implement a new voting system to replace Mark-A-Vote which has been used since 1983 and our current Hart electronic voting system which has been used since 2006
- Complete the update of the Zoning Ordinance.
- Sell the Lucerne Hotel property
- Complete the Clearlake Oaks sidewalk project improving pedestrian safety, especially that of school children
- Continue road and bridge reconstruction in disaster areas.

## **Financial Information and Condition**

The management of the County of Lake is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control structure is designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. This evaluation of cost to benefit requires estimates and judgments by management.

The County is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations are included in the single audit report, which is issued as a separate document.

The accounting methods and procedures adopted by the County of Lake conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 14.

The County maintains budgetary controls to ensure compliance with the legal provisions contained in the annual appropriated budget approved by the County Board of Supervisors under the provision of Sections 29080-29093



of the Government Code. Those provisions set timelines and requirements for establishing a county budget each fiscal year. The County of Lake Board of Supervisors, in conjunction with the Auditor-Controller, efficiently and responsibly adheres to those provisions.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30<sup>th</sup> year-end.

#### *Blended Component Units*

Entities included in the County's reporting entity as component units because of their operational and financial relationship with the County and because the Lake County Board of Supervisors also serves as their governing board are the Air Quality District, the Watershed Protection District, the County Service Areas, the Lighting Districts, In Home Support Services (IHSS), the Sanitation Districts, the Lake County Housing Commission, the Lake County Redevelopment Agency Successor Agency, and the Lake County Public Financing Authority.

#### *Discretely Presented Component Units*

The County of Lake has no component units which meet the criteria for discrete presentation.

### **Cash Management**

The County's investment policy is to minimize credit and market risks while maintaining liquidity and a competitive yield on its portfolio. Cash is pooled for the purpose of increasing interest through investment activities. The County's Treasury Oversight Committee was disbanded by the Board of Supervisors in 2010 in favor of an Annual Treasury Meeting held each February. The Annual Treasury Meeting, external audits and quarterly reports to the Board of Supervisors, Auditor-Controller and Administrative Officer exist to provide a level of assurance over the investment activities of the County Treasury.

### **Debt Administration**

The County has \$26,971,967 of direct debt outstanding as of June 30, 2018. This includes general obligation and special assessment bonds with County commitment, revenue bonds, loans, certificates of participation, closure/post closure liability, and compensated absences. Activities related to existing long-term debt can be found in the Notes to the Basic Financial Statements, Note 4.

### **Risk Management**

The County has a Risk Management program operated through the County Counsel's Office that handles administration of its Risk Management Funds (Internal Service Funds). These funds are retained to finance insured and uninsured risks of loss. The County's uninsured risk of loss for public liability claims is \$10,000 per occurrence; the County is fully insured for workers' compensation losses; and the County is fully self-insured for all unemployment claims. The County is a member of the County Supervisors Association of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for counties. The County pays an annual premium to the Authority for insurance coverage. All funds within the County participate in the program and make payments to the Risk Management Fund based on actuarial estimates of prior and current claims with an allowance for establishing reserves.

### **Other Information**

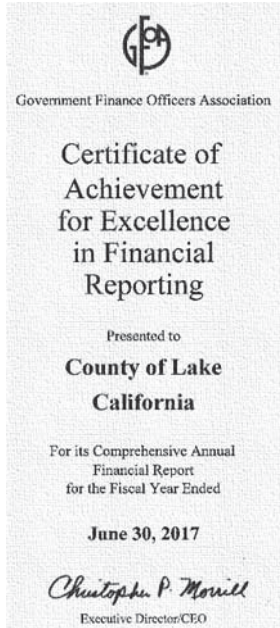
California Government Code requires an annual audit of the books of accounts, financial records, and transactions of all offices of the County by independent certified public accountants. The County Audit Committee selected CLA LLP, Certified Public Accountants to perform this requirement for fiscal year ending June 30, 2018. The audit was designed to meet the requirements of Uniform Guidance, in addition to requirements set forth by state statutes. The independent auditor's report on the general purpose financial statements and individual fund statements and schedules is included in the financial section of this report. The supplementary auditor report of internal control and compliance with applicable laws and regulations is issued separately.



As required of a government of our size, this report has been prepared in conformity with Governmental Accounting Standards Board Statement 34. As mentioned previously, this letter of transmittal should be used as a supplement to the Management Discussion and Analysis (MD&A) which can be found preceding the basic financial statements contained within.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lake County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This is the fourteenth year the County has received this recognition. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.




The Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of Comprehensive Annual Financial Statements is possible only through the effort and determination of those involved in the preparation. The staff in the Auditor-Controller's Office, with the support of the County Administrative Office was dedicated to completing this document efficiently and with the highest standard of excellence and transparency. We would like to also thank those departments involved in the preparation of this document, as well as our external auditors, CLA LLP for their assistance in helping us to produce a quality document.

As always, we applaud the County Board of Supervisors for their continued efforts to maintain the fiscal health of Lake County, while striving to address the issues important to the citizens of Lake County.

Respectfully submitted,

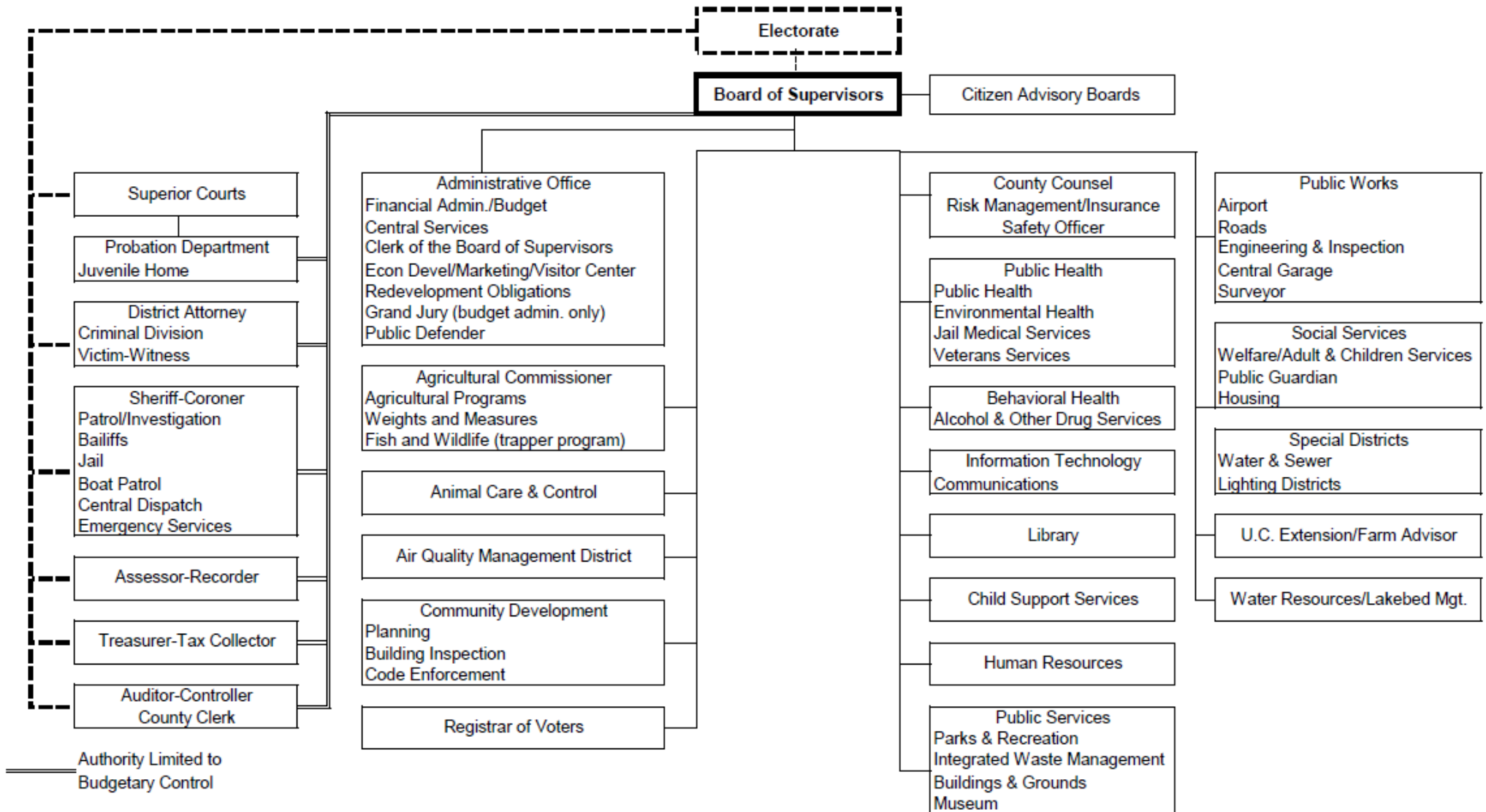


Cathy Saderlund  
Auditor-Controller



Carol J. Huchingson  
County Administrative Officer

**COUNTY OF LAKE  
ORGANIZATIONAL CHART  
AS OF JUNE 30, 2018**



## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

Board of Supervisors and Grand Jury  
County of Lake  
Lakeport, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Lake (the County), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As described in Note 5, the County adopted the provisions of Governmental Accounting Board Statement (GASBS) No. 75, Accounting and Financial Reporting for Postemployment Plans Other than Pensions. As a result of the implementation of GASBS No. 75, the County reported a restatement for the change in accounting principle. Additionally, as described in Note 5, the financial statements for the year ended June 30, 2018, reflect certain adjustments reflecting prior periods. Our opinion is not modified with respect to these matters.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of change in the net pension liability and related ratios and schedule of contributions, schedule of change in net OPEB liability and related ratios and schedule of County OPEB contributions, and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Lake's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Roseville, California  
March 28, 2019

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

As management of the County of Lake (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information in our financial statements.

**FINANCIAL HIGHLIGHTS**

**New Significant Accounting Standards Implemented**

In fiscal year 2017-18, the County adopted one new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB):

- Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* replacing Statement No. 45, 57. Statement No. 75 establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditures.

**Government Wide**

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows at the close of fiscal year June 30, 2018 by \$209,700,719 (*total net position*):

- \$165,405,457 is net investment in capital assets.
- \$ 72,937,402 is restricted for specific purposes (*restricted*)
- -\$28,642,140 in unrestricted is the result of the County's reporting of unfunded pension liability and Other Postemployment Benefits (OPEB) liabilities as required by GASB.

The County's total net position increased by \$10,279,217:

- The \$4,976,470 increase in net position from the net investments in capital assets represents capital acquisitions and deletions, less current year depreciation, and the addition and/or retirement of related long-term debt and deferred inflows or resources,
- The \$9,564,864 increase in restricted net position represents the change in resources that are subject to external restrictions on the use, and
- The -\$4,262,117 decrease in unrestricted net position represents the change in resources available to fund County programs to citizens and debt obligations to creditors.

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources (modified accrual basis of accounting). Such information is useful in assessing the County's financing requirements. In particular, total fund balance less the nonspendable portion is a useful measure of a government's resources available for spending at the end of the fiscal year.

At June 30, 2018, the County's governmental funds reported combined fund balances of \$101,463,255, an increase of \$13,608,334, including prior period adjustments in the amount of (\$5,414,475). Approximately 29% of the combined fund balances, \$24,596,225, is available to meet the County's current and future needs (committed, assigned, and unassigned). Of the total governmental fund balance:

- \$5,192,688 is nonspendable,
- \$71,674,342 is restricted by law or externally imposed requirements, and are amounts restricted for fund purpose,
- \$14,113,733 is committed for specific purposes, and
- \$10,482,492 is unassigned fund balance.

**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

At the end of the current fiscal year, the assigned/unassigned fund balance for the general fund was \$24,596,225, or 53% of total general fund expenditures. \$14,113,733 has been assigned for specific purposes per the County Board of Supervisors and is intended for those purposes only.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

Management's Discussion and Analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all the County's assets and liabilities, with the difference between the two reported as *net position*.

$$\text{Net Position} = (\text{Assets} + \text{Deferred Outflows of Resources}) - (\text{Liabilities} + \text{Deferred Inflows of Resources})$$

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period (e.g. long-term notes loans and earned but unused vacation leave).

The *Government-wide Financial Statements* distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include the General Fund, Disaster Response and Recovery, Road, Airport, Community Development, Fish and Game, Housing and CDBG Programs, Criminal Justice and Sheriff Programs, Animal Control, Behavioral Health, Health Programs, Park Programs, and Social Services. The business-type activities of the County are Solid Waste Management.

Component units are included in the basic financial statements and consist of legally separate entities for which the County is financially accountable and that have substantially the same governing board as the County. Component units for the County include the Air Quality District, the Lake County Housing Commission, the Watershed Protection Districts, the County Service Areas, the Lighting Districts, Lake County Redevelopment Successor Agency, In Home Support Services (IHSS) and the Sanitation Districts. A separate financial statement is prepared for the Lake County Housing Authority and the financial statements of which can be obtained by writing to the Auditor-Controller's Office, 255 North Forbes Street, Lakeport, CA 95453.

*The government-wide financial statements can be found on pages 24 – 26 of this report.*

### **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide reconciliation to the government-wide financial statement in order to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains governmental funds organized according to their type—special revenue, debt service and capital projects. The County segregates from the General Fund a number of significant functions in major funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Housing Programs, Social Services, Health Programs, and Disaster Response and Recovery, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* located in the *Combining and Individual Fund Statements and Schedules* section of this report.

The County adopts an annual appropriated budget for all of its operating funds. A budgetary comparison schedule has been provided for the General Fund and major special revenue funds to demonstrate performance against this budget.

*The fund financial statements can be found on pages 27 – 32 of this report.*

**Proprietary Funds**

The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for Solid Waste Management. *Internal service* funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for Unemployment Insurance, Public Liability Insurance, Workers' Compensation Insurance, Employee Health/Wellness, Heavy Equipment Rental, Fleet Maintenance, and Central Garage. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Solid Waste Management, which is considered to be a major fund of the County. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor internal service funds is provided in the form of *combining statements* elsewhere in this report.

*The proprietary financial statements can be found on pages 33 – 36 of this report.*

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

*The fiduciary financial statements can be found on pages 37 – 38 of this report.*

**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

**Notes to the Basic Financial Statements.** The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

*The notes to the basic financial statements can be found on pages 39 – 75 of this report.*

**Required Supplementary Information.** The Required Supplementary Information follows the notes to the basic financial statements and contains schedules related to net pension and OPEB liabilities and budgetary comparison schedules for the General Fund by function along with major special revenue funds. Further information relative to this information is contained in the notes to required supplementary information.

*The required supplementary information can be found on pages 76 – 88 of this report.*

**Supplementary Section.** The supplementary section contains the combining and individual fund statements and schedules for all nonmajor funds.

*The supplementary sections can be found on pages 89 – 159 of this report.*

**Statistical Section.** The statistical section contains statistical information as required of GASB Statement No. 44, *Economic Condition Reporting*. The focus of the Statistical section is the primary government.

*The statistical section can be found on pages 160 – 190--of this report.*

### GOVERNMENT-WIDE FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows by \$209,700,719 the close of the most recent fiscal year.

<b>County of Lake Summary of Net Position as of June 30</b>								
	Governmental Activities		Business-Type Activities		Total		Total	
	2017	2018	2017	2018	2017	2018	Dollar Change	Percent Change
<b>Assets:</b>								
Current and Other Assets	\$ 116,954,819	\$ 129,846,015	\$ 23,939,974	\$ 30,945,806	\$ 140,894,793	\$ 160,791,821	\$ 19,897,028	14%
Capital Assets	166,502,855	167,686,309	5,937,701	6,155,201	172,440,556	173,841,510	1,400,954	1%
Total Assets	283,457,674	297,532,324	29,877,675	37,101,007	313,335,349	334,633,331	21,297,982	7%
<b>Deferred Outflows of Resources:</b>								
Deferred Pensions	19,358,945	25,940,846	274,715	248,263	19,633,660	26,189,109	6,555,449	33%
Deferred OPEB	-	318,176	-	4,334	-	322,510	322,510	100%
Total Deferred Outflows of Resources	19,358,945	26,259,022	274,715	252,597	19,633,660	26,511,619	6,877,959	35%
<b>Liabilities:</b>								
Current and Other Liabilities	21,348,931	22,752,025	114,808	283,091	21,463,739	23,035,116	1,571,377	7%
Long-Term Liabilities	95,191,274	111,511,414	14,127,036	15,740,517	109,318,310	127,251,931	17,933,621	16%
Total Liabilities	116,540,205	134,263,439	14,241,844	16,023,608	130,782,049	150,287,047	19,504,998	15%
<b>Deferred Inflows of Resources:</b>								
Deferred Pensions	2,750,026	1,141,634	15,432	15,550	2,765,458	1,157,184	(1,608,274)	-58%
<b>Net Position:</b>								
Net Investment in Capital Assets	154,491,286	159,250,256	5,937,701	6,155,201	160,428,987	165,405,457	4,976,470	3%
Restricted	63,372,538	72,937,402	-	-	63,372,538	72,937,402	9,564,864	15%
Unrestricted	(34,337,436)	(43,801,385)	9,957,413	15,159,245	(24,380,023)	(28,642,140)	(4,262,117)	17%
Total Net Position	\$ 183,526,388	\$ 188,386,273	\$ 15,895,114	\$ 21,314,446	\$ 199,421,502	\$ 209,700,719	\$ 10,279,217	5%

**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

**ANALYSIS OF NET POSITION**

The County's total net position increased by \$10,279,217, or 5% during the fiscal year. As described below, the County experienced a net increase mainly due to changes in net investment in capital assets and assets restricted for specific use.

*Net investment in capital assets*

The largest portion of the County's net position \$165,405,457 or 79%, is its investment in capital assets (e.g. land, building, improvements, equipment, park facilities and infrastructure—roads, bridges, water and sewer systems), which is shown less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. These assets are *not* available for future spending. Capital asset increases were primarily the result of capital project activity on the Anderson Springs sewer and Starview/Bonanza Water system projects.

*Restricted net position*

Restricted net position of \$72,937,402 represents resources that are subject to external restrictions on how they may be used by enabling legislation. Due to the unique nature of funding sources and the unrestricted impact of the new pension and OPEB liabilities, the County has significantly more restricted net position dollars than unrestricted net position dollars. Restricted net position is comprised of the following:

- \$5,233,113 (7.2%) to meet debt service requirements,
- \$1,589,649 (2.2%) for ongoing capital projects,
- \$2,638,156 (3.6%) for general government departments that support all activities of the County,
- \$14,582,803 (20.0%) for public protection which includes Sheriff-Coroner, County Jail, Marine Patrol, District Attorney, Victim-Witness, Trial Courts, Animal Control, Office of Emergency Services, Agricultural Commissioner,
- \$14,524,644 (19.9%) for State and federal social services programs,
- \$18,624,242 (25.5%) for public health services, environmental health, water and sewer regional services,
- \$15,335,891 (21.0%) for roads, street lighting, County Service Areas,
- \$263,769 (.4%) for library services, and
- \$145,135 (.2%) for County parks and museums.

Restricted net position increased by \$9,564,864 or 15%. Significant changes to restricted net position, by function, include:

- The Health and Safety function increased by \$5,950,762 primarily due to excess revenues received for Behavioral Health and Social Services programs.
- The Public Ways and Facilities function increased by \$1,655,445 primarily due to carry over bridge and road projects in Public Works.

*Unrestricted net position*

The remaining deficit of \$28,642,140, unrestricted net position, is an increase in the deficit of 17% from the prior year. The majority of the positive unrestricted net position resides in the County's General Fund and the negative unrestricted net position is the result of the County's unfunded pension and OPEB obligations.

At the conclusion of the fiscal year June 30, 2018, total net position remained positive, for the government as a whole.

**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

<b>County of Lake Changes in Net Position as of June 30</b>								
	Governmental Activities		Business-Type Activities		Total		Total	
	2017	2018	2017	2018	2017	2018	Dollar Change	Percent Change
<b>Revenues</b>								
Program Revenues:								
Charges for Services	\$ 30,819,647	\$ 31,458,092	\$ 5,258,022	\$ 10,118,712	\$ 36,077,669	\$ 41,576,804	\$ 5,499,135	15%
Operating Grants and Contributions	84,606,319	86,356,112	75,845	81,815	84,682,164	86,437,927	1,755,763	2%
Capital Grants and Contributions	4,164,473	3,670,562	-	-	4,164,473	3,670,562	(493,911)	-12%
Total Program Revenues	119,590,439	121,484,766	5,333,867	10,200,527	124,924,306	131,685,293	6,760,987	5%
General Revenues:								
Property Taxes	27,238,046	26,918,739	-	-	27,238,046	26,918,739	(319,307)	-1%
Sales and Use Taxes	3,402,000	2,986,236	-	-	3,402,000	2,986,236	(415,764)	-12%
Transient Occupancy Taxes	449,485	480,853	-	-	449,485	480,853	31,368	7%
Property Transfer Taxes	497,047	462,271	-	-	497,047	462,271	(34,776)	-7%
Other Taxes	48,231	281,937	-	-	48,231	281,937	233,706	485%
Interest and Investment Earnings	1,454,567	2,435,560	184,564	404,359	1,639,131	2,839,919	1,200,788	73%
Miscellaneous	249,652	-	2,131	556	251,783	556	(251,227)	-100%
Total General Revenues	33,339,028	33,565,596	186,695	404,915	33,525,723	33,970,511	444,788	1%
Total Revenues	152,929,467	155,050,362	5,520,562	10,605,442	158,450,029	165,655,804	7,205,775	5%
<b>Expenses</b>								
General Government	12,508,199	14,859,681	-	-	12,508,199	14,859,681	2,351,482	19%
Public Protection	42,163,755	45,346,446	-	-	42,163,755	45,346,446	3,182,691	8%
Public Ways and Facilities	14,593,617	14,350,582	-	-	14,593,617	14,350,582	(243,035)	-2%
Health and Sanitation	26,450,525	28,496,879	-	-	26,450,525	28,496,879	2,046,354	8%
Public Assistance	44,217,861	46,382,793	-	-	44,217,861	46,382,793	2,164,932	5%
Education	1,273,021	1,343,219	-	-	1,273,021	1,343,219	70,198	6%
Culture and Recreation	2,294,310	2,202,803	-	-	2,294,310	2,202,803	(91,507)	-4%
Solid Waste Management	-	-	2,698,017	5,187,554	2,698,017	5,187,554	2,489,537	92%
Interest on Long-Term Debt	688,474	268,660	-	-	688,474	268,660	(419,814)	-61%
Total Expenses	144,189,762	153,251,063	2,698,017	5,187,554	146,887,779	158,438,617	11,550,838	8%
Change in Net Position Before Special Item	8,739,705	1,799,299	2,822,545	5,417,888	11,562,250	7,217,187	(4,345,063)	-38%
Special Item	(4,500,000)	-	-	-	(4,500,000)	-	4,500,000	-100%
<b>Change in Net Position</b>	<b>4,239,705</b>	<b>1,799,299</b>	<b>2,822,545</b>	<b>5,417,888</b>	<b>7,062,250</b>	<b>7,217,187</b>	<b>154,937</b>	<b>2%</b>
Net Position - July 1	179,286,683	183,526,388	13,072,569	15,895,114	192,359,252	199,421,502	7,062,250	4%
Prior Period Adjustment	-	3,060,586	-	1,444	-	3,062,030	3,062,030	-100%
Net Position - July 1, Restated	179,286,683	186,586,974	13,072,569	15,896,558	192,359,252	202,483,532	10,124,280	5%
Net Position - June 30	\$ 183,526,388	\$ 188,386,273	\$ 15,895,114	\$ 21,314,446	\$ 199,421,502	\$ 209,700,719	\$ 10,279,217	5%

## ANALYSIS OF GOVERNMENTAL ACTIVITIES

Governmental activities increased the County's net position by \$1,799,299 to \$188,386,273, accounting for 25% of the County's total increase in net position resulting from governmental activities operating revenues exceeding operating expenditures. A prior period adjustment of \$3,060,586 is the result of implementation of GASB 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pension" and a reclassification of unearned revenue; these amounts are -\$2,353,889 and \$5,414,475 respectively; as detailed in Note 5.

**Revenues.** The total revenue increase of \$2,120,895, or 1.4%, to \$155,050,362 is divided into two categories: Program Revenues and General Revenues.



**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

**Program Revenues** had an overall increase of \$1,894,327, or 1.6%, to \$121,484,766 from the prior year. As an arm of the State government, a significant portion of charges for services and operating grants and contributions are tied to mandated services such as public assistance, health and behavioral health services. Total program revenues represent 78% of the County's funding for governmental activities.

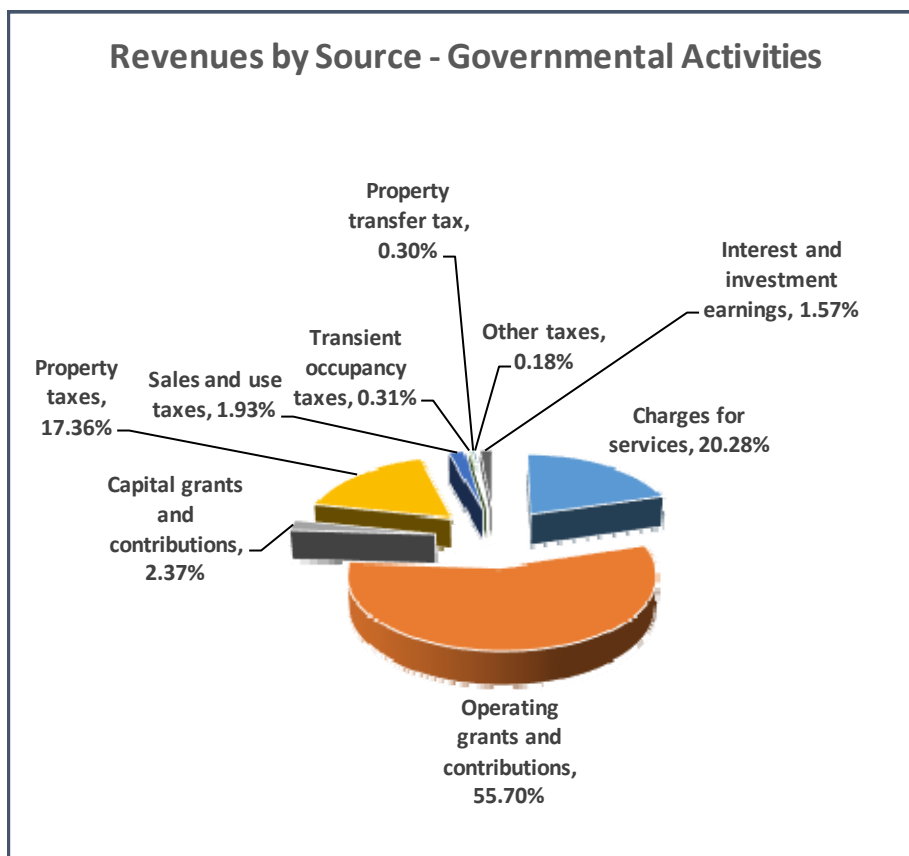
**Charges for services** increased by \$638,445, or 2.1%, to \$31,458,092 due to a combination of increases in revenues for public works administration, road, social services and health services as a result of projects and program reimbursable cost increases, as well as overall collection increases in water and sewer revenues for dependent special districts as a result of fee and service increase, most notably

\$331,351 in sewer fees charged to another agency as a result of a storm event; as well as an increase of \$253,153 in delinquent sewer assessments collected as a result of tax sales and real estate activity.

**Operating grants and contributions** (intergovernmental revenues) increased by \$1,749,793 or 2.1%, to \$86,356,112. This was primarily from \$689,811 in increased Payment in Lieu of Taxes (PILT), as a result of an adjustment in the Federal formula that is expected to normalize in 2019, \$953,419 in increased Social Services realignment as a result of State calculations for those services, \$832,291 in SB1 monies for Road purposes, with fluctuations throughout programs in Social Services, Health and Behavioral Health.

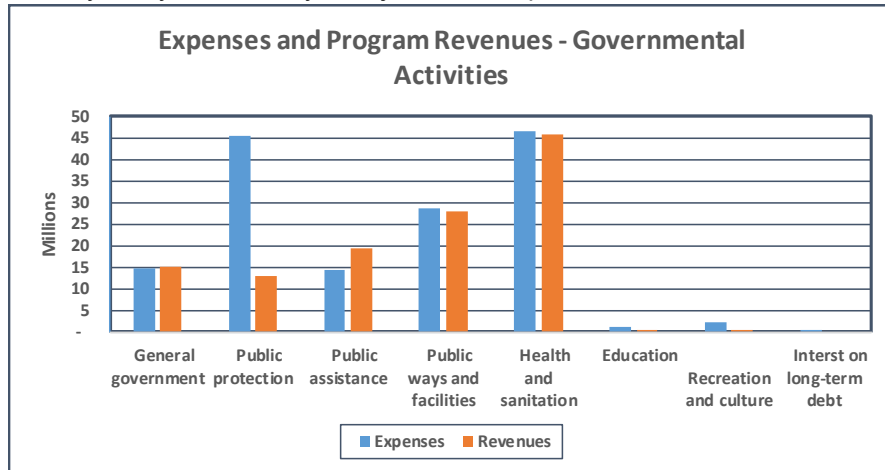
**Capital grants and contributions** (intergovernmental revenues) decreased \$493,911, or 11.9%, to \$3,670,562 due to completion of bridge projects throughout the County and an offsetting increase of \$1,671,181 to complete the State Route 20 sidewalk project.

**General revenues** had an overall increase of \$226,568, or .7%. These revenues included general taxes which provided the Board of Supervisors with the most discretionary spending ability, as well as sales and use taxes and investment earnings. Property taxes decreased \$319,307 or 1.2% and can be attributed to the multiple disasters in the County that impact property tax values; sales and use taxes decreased \$415,764 or 12.2% and can also be attributed to the multiple disasters that have resulted in significant fluctuations in sales tax in the County; transient occupancy taxes increase \$31,368 or 7.0%; transfer taxes decreased \$34,776 or 7.0%; other taxes increased \$233,706 or 484.6% due to cannabis; and increased interest and investment of \$980,993 or 67.4% due to favorable investment rates and maturity of investments in the period.



**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

**Expenses.** Expenses increased by \$9,061,301, or 6.3%, to \$153,251,063 over the prior year. As a service delivery entity, the County's major cost component is salaries and benefits, amounting to 47% of the total County



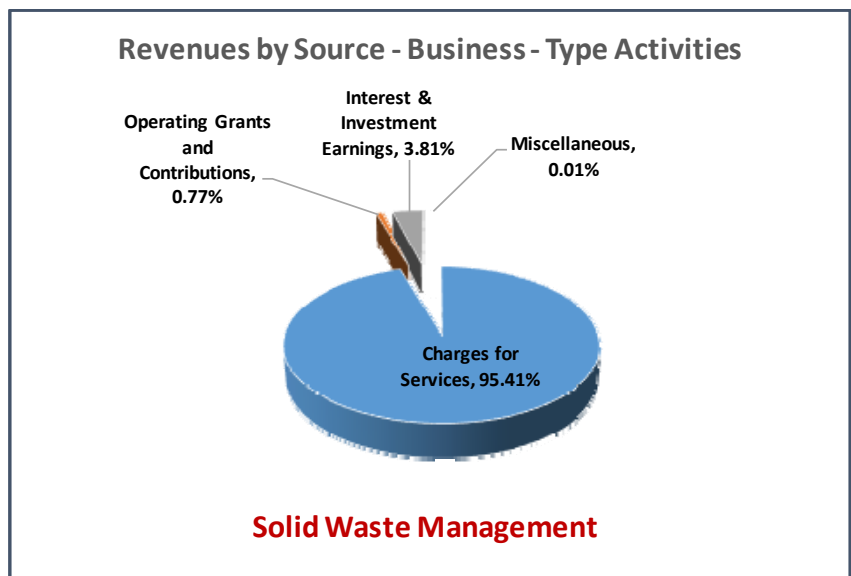
expenses. The County's average full-time equivalent (FTE) count for the County (including business-type activities, OJT programs and unfunded positions) had a net decrease of 5.35 FTEs from 1010.25 in the prior year to 1004.90 as of June 30, 2018. The change in FTE was primary in the Behavioral Health Department where funding is provided through State and Federal sources. Salary and benefit expenditures increased by 1% overall, with services and supplies increasing by 7%.

**Salary and benefit** expenditures increased by \$529,388 to \$138,959,282 due to various factors most notably increased CalPERS miscellaneous and safety rates that increased retirement costs by \$611,584 or 8.8%.

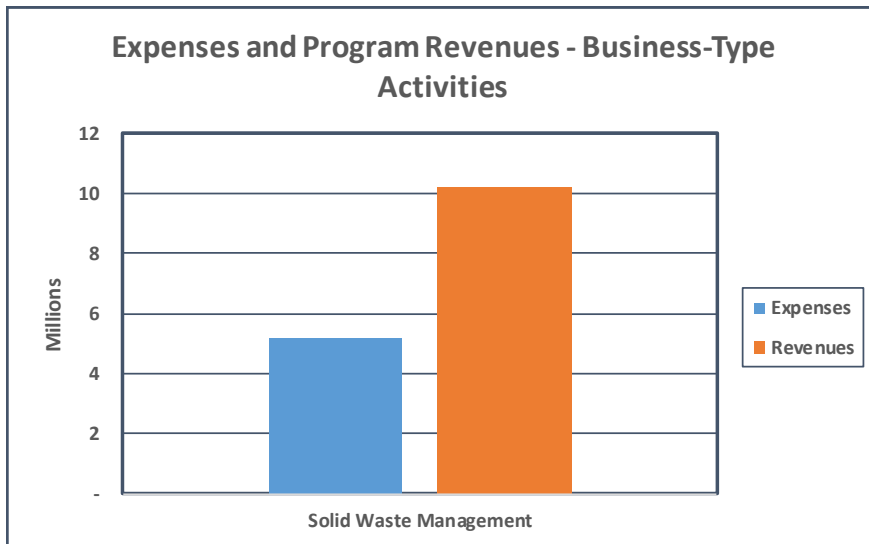
**Services and supplies** expenditures increased by \$5,136,087 or 7%. The increase included an increase of \$123,976 in upgrades to the County Emergency Operation Center, \$75,000 to resurface the Middletown Pool, \$51,510 for parks damaged by the winter storms, \$205,436 in new CDBG loan activity, \$616,228 for increased County Maintenance of Effort in Social Services programs, \$204,796 increased maintenance at our Southeast Regional Wastewater System for storm related damage, \$330,000 to the Kelseyville High School for the "Carl Moyer" diesel engine switch out program. Combined general government increased by \$2,380,453, or 19.0%; public protection \$3,296,518, or 7.8%; public assistance \$2,215,728, or 5.0%; health and safety \$2,075,299 or 7.8%; education \$72,398, or 5.7%; while decreases were seen in public ways and facilities of \$223,829 or 1.5%, cultural and recreation \$88,294 or 3.8%, and interest on long-term debt \$419,814 or 61.0%; for an overall \$9,308,459, or 6.5% increase.

**Business-Type Activities.** Business-type activities increased the County's net business-type position by \$5,417,888 to \$21,314,446 accounting for 78% of the County's total increase in net position resulting from business-type activities operating revenues exceeding operating expenditures. A prior period adjustment of \$1,444 is the result of implementation of GASB 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pension".

**Revenues.** Total program revenues increased by \$4,866,660, or 91%, to \$10,200,527 and total general revenues increased by \$218,220, or 117%, to \$404,915. This consists of an increase in *charges for services* of \$4,860,690, or 92%, as a result of increased fees received at the County landfill for the debris operations taking place as a result of the Wine Country Fires and Sulphur Fire of 2017; *operating grants and contributions* increased \$5,970, or 8%, miscellaneous revenue decreased 1,575, or 74%; and interest and investment earnings increased \$219,795, or 119% as a result of increased cash flows and favorable investment returns.



**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**



**Expenses.** Total expenses increased by \$2,489,537, or 92%, to \$5,187,554 from the previous fiscal year primarily as a result of the additional closure/post closure adjustment required due to the impact of fire debris on landfill life expectancy. Salaries and benefits comprise 31% of total expenses. Salaries and benefits increased by \$113,054, or 10%, from the prior year. Service and supplies increased by \$1,154,632, or 44%, from the prior year. Revenues exceeded expenses by \$5,417,888 over the previous year and is the result of debris removal operations in Lake and Mendocino County.

### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As listed in the *Financial Highlights*, at June 30, 2018 the County's governmental funds reported combined ending fund balances of \$101,463,255 an increase of \$13,608,334, including prior period adjustments in the amount of (\$5,414,475), in comparison with the prior year. Approximately 29% of the combined fund balance, \$24,596,225 constitutes assigned and unassigned fund balance, which is available to meet the County's current and future needs. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has been committed to the following:

- Nonspendable, advances receivable and inventory - \$5,192,688,
- Restricted, external constraints (grants, laws) - \$71,674,342,
- Assigned, committed by internal restraints - \$14,113,733, and
- Unassigned, which represents the residual balance of the general fund - \$10,482,492

The increase in fund balances for the County's governmental funds can be primarily attributed to disaster response and recovery and the timing of the projects and funding for the seven concurrent disaster cost/claiming occurring during the fiscal year.

The General Fund is the primary operating fund of the County. At June 30, 2018, assigned fund balance of the General Fund was \$14,113,733 while total fund balance was \$35,351,978. The \$14,113,733 assigned fund balance is designated by the governing body for special projects; \$10,482,492 is unassigned for subsequent year needs, while \$5,086,145 in nonspendable fund balance constitutes advances and inventory. The general fund contains a restricted fund balance of \$2,059,664 held for other post employment pension liabilities and \$3,609,944 restricted for public protection. The Board remains committed to utilizing one time funding sources for one-time projects. As a measure of the general fund's liquidity, it may be useful to compare both assigned fund

**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

balance and total fund balance to total fund expenditures. Assigned fund balance represents 30% of total general fund expenditures, while total fund balance represents 76% of that same amount. The general fund balance increased by \$8,467,086, including prior period adjustments of \$2,944,630, during the fiscal year.

Other major funds include the Housing Programs, Social Services, Health Programs and Disaster Response and Recovery. The Housing Programs, Social Services, and Health Programs had total fund balances of \$5,664,711, \$6,289,665, \$2,954,526 and \$1,019,287, respectively; a decrease in fund balance from the prior year of \$34,357, and increase of \$1,467,892 and \$2,573,777, including prior period adjustments of \$2,418,279; and a decrease of \$156,389, including prior period adjustments of \$51,566, respectively.

### **Proprietary Funds**

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the enterprise fund increased from to \$15,895,114 to \$21,314,446 including prior period adjustments of \$1,444, a 34% increase from the previous fiscal year. The net position of the internal services funds increased from \$4,027,407 to \$4,588,112, a 14% increase from the previous fiscal year.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The variance between the final budget appropriations and the actual expenditures resulted in \$10,688,498 of unspent appropriations. Key variances are salaries and benefits unspent appropriations of \$3,105,688 resulting from unfilled positions; and services and supplies unspent appropriations of \$7,459,350 with unused contingencies of \$1,000,000 and \$1,309,466 in unspent community revitalization, as well as \$580,000 in District Attorney software and Jail Facilities upgrades. The variance between final budget revenues and actual revenues resulted in \$679,960 in underestimated revenue available for appropriation during the fiscal year.

*Expenditures:* The final budget appropriations for expenditures for the General Fund differ from the original budget by 669,326. This represents a less than 1% increase.

Appropriation adjustments made during the fiscal year for all functions is summarized below:

- General government – net increase of \$509,213. Increases included the addition of \$100,000 in the County Administrative Office for a classification and compensation study, increases in contract services in Human Resources for an additional \$60,250, increased building maintenance needs for \$75,000.
- Public Protection – net increase of \$5,803. This is a negligible increase compared to total category budget and is an indicator that internal budget transfers were sufficient to meet the needs.
- Recreation and Culture – net increase of \$75,310 in the Museum and the Parks and Recreation departments of \$24,750 and \$50,560 respectively.
- Total Capital Outlay – net increase of \$79,000, which included Assessor, I.T. and District Attorney project adjustments

*Revenues:* During the year, actual revenues were \$679,960 more than revenue estimates. The net effect of under-realization of revenues and under-utilization of appropriations resulted in a positive variance of \$11,368,458 prior to consideration of interfund transfers. This variance is due to the management's conservative approach to revenue estimates and fiscally responsible spending practices.

*Specific categories and their associated variances for the general fund and all major funds can be found in the Required Supplementary Information section of this report, pages 81 – 88.*

**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

**CAPITAL ASSETS**

The County's investment in capital assets for its governmental and business type activities as of June 30, 2018 was \$173,841,510 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, and improvements, equipment, park facilities and infrastructure (roads, bridges, and water and sewer systems). The total increase in the County's investment in capital assets for the current fiscal year was \$1,400,954. Notable changes in the County's investment in capital assets by category included:

*Land.* Total decrease of \$1,689,561 was primarily the result of the sale of Holiday Harbor which decreased land value held by \$1,227,000.

*Construction in Progress.* Total increase of \$2,537,452 was primarily the result of the Starview and Bonanza Water Systems rebuild and improvements post disaster of \$1,658,336.

*Buildings and Improvements.* Total decrease of \$2,158,887 was primarily the \$900,517 Holiday Harbor building value.

*Equipment.* Decreased by \$796,612 overall and was a combination of routine purchases and retirements throughout the fiscal year.

*Infrastructure.* Increased by \$3,508,562 and was primarily the result of Cole Creek, Manning and Dry Creek Bridge projects, as well as Foard Road construction.

<b>County of Lake Capital Assets as of June 30 (Net of Depreciation)</b>								
	Governmental Activities		Business-Type Activities		Total		Total	
	2017	2018	2017	2018	2017	2018	Dollar Change	Percent Change
Land	\$ 23,532,574	\$ 21,843,013	\$ 742,356	\$ 742,356	\$ 24,274,930	\$ 22,585,369	\$ (1,689,561)	-7%
Construction in Progress	25,913,913	28,155,115	77,816	374,066	25,991,729	28,529,181	2,537,452	10%
Buildings and Improvements	44,539,696	42,411,114	974,813	944,508	45,514,509	43,355,622	(2,158,887)	-5%
Equipment	8,175,938	7,351,879	1,069,942	1,097,389	9,245,880	8,449,268	(796,612)	-9%
Infrastructure	64,340,734	67,925,188	3,072,774	2,996,882	67,413,508	70,922,070	3,508,562	5%
Net Assets - June 30	\$ 166,502,855	\$ 167,686,309	\$ 5,937,701	\$ 6,155,201	\$ 172,440,556	\$ 173,841,510	\$ 1,400,954	1%

*Detailed information on the County's capital assets can be found in the Notes to the Financial Statements,  
Note 3 pages 56 – 57.*

**LONG-TERM LIABILITIES**

As of June 30, 2018, the County had total long-term obligations outstanding of \$26,971,966. The largest obligations were Closure/Post Closure for Solid Waste of \$14,318,691 followed by Southeast Regional Wastewater revenue bonds of \$4,045,000, compensated absences for governmental and business type activities of \$3,392,922 and \$74,300 respectively, Loans Payable of \$2,722,558 for water and wastewater projects, and Kelseyville/Finley Water Project Certificates of Participation of \$2,351,496. The remaining includes Sanitation District 1-5 special assessment bonds, \$67,000.

During the fiscal year, the County's total long-term liabilities decreased by \$2,200,581. The majority of this decrease was early pay off on the a State Sewer Revolving Loan to finance upgrade to the Northwest Regional Wastewater Treatment Plant that was funded by user fees, the final payment on a State Water Resources Control Board Loan to fiancé upgrade to the Southeast Regional Waste Treatment Plant and offsetting increase in Solid Waste closure/post closure and corrective action.

The majority of County long-term liabilities consist of loans payable, certificates of participations and revenue bonds that are paid for by dedicated revenue sources, bonds, and special assessments for those within the areas of service.

*Detailed information on the County's long-term debt can be found in the Notes to the Financial Statements,  
Note 4 page 58 – 60.*

**COUNTY OF LAKE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
JUNE 30, 2018**

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information contained within this report or requests for additional information should be addressed to the County of Lake, Auditor-Controller, 255 North Forbes Street, Lakeport, CA 95453. This report, as well as various other financial reports, and the County of Lake Budget, is also available via the internet at: [http://www.co.lake.ca.us/Government/Directory/AuditorController/Financial\\_Reporting.htm](http://www.co.lake.ca.us/Government/Directory/AuditorController/Financial_Reporting.htm).

**BASIC FINANCIAL STATEMENTS**  
**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**COUNTY OF LAKE  
SUMMARY OF NET POSITION  
JUNE 30, 2018**

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 99,823,156	\$ 18,638,068	\$ 118,461,224
Restricted Cash	14,049,974	10,917,122	24,967,096
Imprest Cash	9,890	500	10,390
Cash with Fiscal Agent	320,704	-	320,704
Accounts Receivable	2,695,730	1,227,563	3,923,293
Due from Other Governments	6,005,410	-	6,005,410
Taxes Receivable	25,995	-	25,995
Interest Receivable	472,878	162,553	635,431
Inventories	137,206	-	137,206
Loans Receivable	6,305,072	-	6,305,072
Capital Assets:			
Nondepreciable	49,998,128	1,116,422	51,114,550
Depreciable, Net	117,688,181	5,038,779	122,726,960
Total Assets	297,532,324	37,101,007	334,633,331
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pension	25,940,846	248,263	26,189,109
Deferred OPEB	318,176	4,334	322,510
Total Deferred Outflows of Resources	26,259,022	252,597	26,511,619
<b>LIABILITIES</b>			
Accounts Payable	14,156,836	157,175	14,314,011
Accrued Interest Payable	40,958	-	40,958
Accrued Salaries and Benefits	7,107,603	125,916	7,233,519
Unearned Revenue	906,480	-	906,480
Deposits and Other Liabilities	108,589	-	108,589
Estimated Claims Liability	431,559	-	431,559
Long-Term Liabilities:			
Due within One Year	934,384	15,534	949,918
Due in More than One Year	11,644,591	14,377,457	26,022,048
Net OPEB Liability	11,350,658	154,608	11,505,266
Net Pension Liability	87,581,781	1,192,918	88,774,699
Total Liabilities	134,263,439	16,023,608	150,287,047
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Pension	1,141,634	15,550	1,157,184
<b>NET POSITION</b>			
Net Investment in Capital Assets	159,250,256	6,155,201	165,405,457
Restricted for:			
Debt Service	5,233,113	-	5,233,113
Capital Projects	1,589,649	-	1,589,649
General Government	2,638,156	-	2,638,156
Public Protection	14,582,803	-	14,582,803
Public Assistance	14,524,644	-	14,524,644
Health and Sanitation	18,624,242	-	18,624,242
Public Ways and Facilities	15,335,891	-	15,335,891
Education	263,769	-	263,769
Recreation	145,135	-	145,135
Unrestricted	(43,801,385)	15,159,245	(28,642,140)
Total Net Position	\$ 188,386,273	\$ 21,314,446	\$ 209,700,719

See accompanying Notes to Basic Financial Statements.

**COUNTY OF LAKE  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2018**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Fees, Fines and Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary Government:</b>				
Governmental Activities:				
General Government	\$ 14,859,681	\$ 5,222,630	\$ 10,001,949	\$ -
Public Protection	45,346,446	5,148,506	7,958,768	-
Public Ways and Facilities	14,350,582	9,580,107	5,967,462	3,670,562
Health and Sanitation	28,496,879	9,518,550	18,389,986	-
Public Assistance	46,382,793	1,804,205	43,958,929	-
Education	1,343,219	75,094	78,712	-
Culture and Recreation	2,202,803	109,000	306	-
Interest on Long-Term Debt	268,660	-	-	-
Total Governmental Activities	153,251,063	31,458,092	86,356,112	3,670,562
Business-Type Activities:				
Solid Waste Management	5,187,554	10,118,712	81,815	-
Total Primary Government	<u>\$ 158,438,617</u>	<u>\$ 41,576,804</u>	<u>\$ 86,437,927</u>	<u>\$ 3,670,562</u>

**General Revenues:**

Taxes:

Property Taxes  
Sales and Use Taxes  
Transient Occupancy Taxes  
Transfer Taxes  
Other Taxes  
Unrestricted Interest and Investment Earnings  
Miscellaneous  
Total General Revenues

**Change in Net Position**

Net Position - Beginning of Year, Restated

**Net Position - End of Year**

See accompanying Notes to Basic Financial Statements.

Net (Expense) Revenue and  
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ 364,898	\$ -	\$ 364,898
(32,239,172)	-	(32,239,172)
4,867,549	-	4,867,549
(588,343)	-	(588,343)
(619,659)	-	(619,659)
(1,189,413)	-	(1,189,413)
(2,093,497)	-	(2,093,497)
(268,660)	-	(268,660)
(31,766,297)	-	(31,766,297)
-	5,012,973	5,012,973
(31,766,297)	5,012,973	(26,753,324)
26,918,739	-	26,918,739
2,986,236	-	2,986,236
480,853	-	480,853
462,271	-	462,271
281,937	-	281,937
2,435,560	404,359	2,839,919
-	556	556
33,565,596	404,915	33,970,511
1,799,299	5,417,888	7,217,187
186,586,974	15,896,558	202,483,532
<u>\$ 188,386,273</u>	<u>\$ 21,314,446</u>	<u>\$ 209,700,719</u>

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**BASIC FINANCIAL STATEMENTS**  
**FUND FINANCIAL STATEMENTS**

**COUNTY OF LAKE  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	General	Housing Programs	Social Services
<b>ASSETS</b>			
Cash and Investments	\$ 30,127,233	\$ 574,816	\$ 7,571,130
Restricted Cash	3,569,069	-	-
Imprest Cash	7,355	-	800
Cash with Fiscal Agent	-	-	-
Accounts Receivable	463,265	-	438,608
Due from Other Governments	-	-	936,836
Taxes and Assessments Receivable	25,995	-	-
Interest Receivable	261,756	-	-
Advances to Other Funds	5,086,145	-	-
Inventories	-	-	-
Loans Receivable	40,875	5,122,256	-
Total Assets	<u>\$ 39,581,693</u>	<u>\$ 5,697,072</u>	<u>\$ 8,947,374</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 758,299	\$ 553	\$ 116,291
Accrued Salaries and Benefits Payable	3,471,416	31,808	1,604,582
Deposits Payable	-	-	-
Unearned Revenues	-	-	-
Advances from Other Funds	-	-	-
Total Liabilities	<u>4,229,715</u>	<u>32,361</u>	<u>1,720,873</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	<u>-</u>	<u>-</u>	<u>936,836</u>
<b>FUND BALANCES</b>			
Nonspendable	5,086,145	-	-
Restricted	5,669,608	5,664,711	6,289,665
Assigned	14,113,733	-	-
Unassigned	10,482,492	-	-
Total Fund Balances	<u>35,351,978</u>	<u>5,664,711</u>	<u>6,289,665</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 39,581,693</u>	<u>\$ 5,697,072</u>	<u>\$ 8,947,374</u>

See accompanying Notes to Basic Financial Statements.

Health Programs	Disaster Response and Recovery	Other Governmental Funds	Total
\$ 3,266,839	\$ 1,135,704	\$ 52,292,843	\$ 94,968,565
-	10,480,905	-	14,049,974
275	-	1,460	9,890
-	-	320,704	320,704
193,268	-	1,600,589	2,695,730
269,372	-	56,852	1,263,060
-	-	-	25,995
-	62,460	136,834	461,050
-	-	12,933	5,099,078
-	-	106,543	106,543
-	-	1,141,941	6,305,072
<u>\$ 3,729,754</u>	<u>\$ 11,679,069</u>	<u>\$ 55,670,699</u>	<u>\$ 125,305,661</u>
\$ 161,214	\$ 10,659,782	\$ 2,439,705	\$ 14,135,844
344,642	-	1,619,257	7,071,705
-	-	108,589	108,589
-	-	906,480	906,480
-	-	356,728	356,728
<u>505,856</u>	<u>10,659,782</u>	<u>5,430,759</u>	<u>22,579,346</u>
<u>269,372</u>	<u>-</u>	<u>56,852</u>	<u>1,263,060</u>
-	-	106,543	5,192,688
2,954,526	1,019,287	50,076,545	71,674,342
-	-	-	14,113,733
-	-	-	10,482,492
<u>2,954,526</u>	<u>1,019,287</u>	<u>50,183,088</u>	<u>101,463,255</u>
<u>\$ 3,729,754</u>	<u>\$ 11,679,069</u>	<u>\$ 55,670,699</u>	<u>\$ 125,305,661</u>

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**COUNTY OF LAKE  
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION –  
GOVERNMENTAL ACTIVITIES  
JUNE 30, 2018**

Fund Balance - Total Governmental Funds	\$ 101,463,255
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	166,732,487
Deferred outflows of resources reported in the statement of net position	26,259,022
Some of the County's intergovernmental revenue will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore, are reported as unavailable revenue in the governmental funds.	
Due from other governments	1,263,060
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds	(40,958)
Deferred inflows of resources reported in the statement of net position	(1,141,634)
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the governmental funds.	
Special Assessment Bonds with County Commitment	(67,000)
Loans Payable	(1,972,557)
Revenue Bonds	(4,045,000)
Certificates of Participation	(2,351,496)
Compensated Absences	(3,368,579)
Net Pension Liability	(87,581,781)
Liability for Post-Employment Benefits	(11,350,658)
Internal service funds are used by management to charge the cost of self-insurance risk management and management of fleet maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
Internal service fund net position is:	<u>4,588,112</u>
Net Position of Governmental Activities	<u><u>\$ 188,386,273</u></u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF LAKE  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	General	Housing Programs	Social Services
<b>REVENUES</b>			
Taxes	\$ 28,095,301	\$ -	\$ -
Licenses, Permits and Franchise Fees	899,465	-	-
Fines, Forfeitures, and Penalties	1,000,844	-	-
Use of Money and Property	1,327,552	7,725	-
Intergovernmental	13,748,535	215,905	41,624,113
Charges for Services	4,373,209	-	779,967
Other Revenues	963,241	234,904	11,075
Total Revenues	50,408,147	458,534	42,415,155
<b>EXPENDITURES</b>			
Current:			
General Government	10,764,979	-	-
Public Protection	32,879,415	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	352,284	602,891	40,873,543
Education	196,855	-	-
Recreation and Culture	1,945,258	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Capital Outlay	173,270	-	-
Total Expenditures	46,312,061	602,891	40,873,543
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	4,096,086	(144,357)	1,541,612
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,172,566	110,000	23,991
Transfers out	(719,291)	-	(110,000)
Sale of Capital Assets	973,095	-	12,289
Total Other Financing Sources (Uses)	1,426,370	110,000	(73,720)
<b>NET CHANGES IN FUND BALANCES</b>	5,522,456	(34,357)	1,467,892
Fund Balances - Beginning of Year, Restated	29,829,522	5,699,068	4,821,773
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 35,351,978</u>	<u>\$ 5,664,711</u>	<u>\$ 6,289,665</u>

See accompanying Notes to Basic Financial Statements.

Health Programs	Disaster Response and Recovery	Other Governmental Funds	Total
\$ -	\$ -	\$ 3,034,735	\$ 31,130,036
664,980	-	1,912,775	3,477,220
2,197	-	496,734	1,499,775
5,155	113,080	687,733	2,141,245
3,810,606	126,467	33,377,542	92,903,168
711,234	-	18,046,326	23,910,736
19,846	449,696	889,935	2,568,697
5,214,018	689,243	58,445,780	157,630,877
-	-	4,672,392	15,437,371
-	845,632	6,858,061	40,583,108
-	-	13,408,898	13,408,898
5,176,742	-	18,669,445	23,846,187
-	-	2,369,760	44,198,478
-	-	1,036,635	1,233,490
-	-	31,316	1,976,574
-	-	3,575,516	3,575,516
-	-	352,373	352,373
-	-	5,664,861	5,838,131
5,176,742	845,632	56,639,257	150,450,126
37,276	(156,389)	1,806,523	7,180,751
118,222	-	703,732	2,128,511
-	-	(1,299,220)	(2,128,511)
-	-	27,724	1,013,108
118,222	-	(567,764)	1,013,108
155,498	(156,389)	1,238,759	8,193,859
2,799,028	1,175,676	48,944,329	93,269,396
\$ 2,954,526	\$ 1,019,287	\$ 50,183,088	\$ 101,463,255

**COUNTY OF LAKE  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES  
YEAR ENDED JUNE 30, 2018**

Net Change to Fund Balance - Total Governmental Funds	\$ 8,193,859
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Amounts reported for governmental activities in the statement of activities are different because:

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.

This is the change in unavailable revenues.	(2,875,737)
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Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for General Capital Assets and Infrastructure	\$ 8,431,126	
Less: Current Year Depreciation	<u>(7,100,669)</u>	1,330,457

Long-term debt proceeds provide current resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal Retirements	3,575,516	
Interest	<u>83,713</u>	3,659,229

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in Compensated Absences	44,618	
Changes in Net Pension Liability and Deferred Inflows/Outflows	(8,644,624)	
Change in OPEB Liability and Deferred Inflows/Outflows	<u>(469,208)</u>	(9,069,214)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet maintenance, to individual funds. The net revenues (expense) of the internal service funds is reported with governmental activities.

	<u>560,705</u>
Change in Net Position of Governmental Activities	<u><u>\$ 1,799,299</u></u>

**COUNTY OF LAKE  
STATEMENT OF FUND NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2018**

	Business-Type Activities Enterprise Funds Solid Waste Management	Governmental Activities Internal Service Funds
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 18,638,068	\$ 4,854,591
Imprest Cash	500	-
Restricted Cash	10,917,122	-
Accounts Receivable	1,227,563	-
Interest Receivable	162,553	11,828
Inventory	-	30,663
Total Current Assets	<u>30,945,806</u>	<u>4,897,082</u>
Noncurrent Assets:		
Capital Assets:		
Nondepreciable	1,116,422	48,233
Depreciable, Net	<u>5,038,779</u>	<u>905,589</u>
Total Noncurrent Assets	<u>6,155,201</u>	<u>953,822</u>
Total Assets	37,101,007	5,850,904
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Pension	248,263	-
Deferred OPEB	<u>4,334</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>252,597</u>	<u>-</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	157,175	20,992
Salaries and Benefits Payable	125,916	35,898
Compensated Absences Payable	<u>15,534</u>	<u>1,750</u>
Total Current Liabilities	298,625	58,640
Noncurrent Liabilities:		
Loans Payable	-	750,000
Compensated Absences Payable	58,766	22,593
Closure/Post Closure Liability	14,318,691	-
Net OPEB Obligation	154,608	#REF!
Pension Liability	1,192,918	-
Estimated Claims Liability	-	431,559
Total Noncurrent Liabilities	<u>15,724,983</u>	<u>#REF!</u>
Total Liabilities	16,023,608	#REF!
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Pension	<u>15,550</u>	<u>-</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	6,155,201	953,822
Unrestricted	<u>15,159,245</u>	<u>3,634,290</u>
Total Net Position	<u><u>\$ 21,314,446</u></u>	<u><u>\$ 4,588,112</u></u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF LAKE**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Business-Type Activities <u>Enterprise Funds</u> Solid Waste Management	Governmental Activities <u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 9,559,637	\$ 5,778,914
Rents and Concessions	-	598,041
Franchise Fees	559,075	-
Other Revenues	-	11,390
Total Operating Revenues	<u>10,118,712</u>	<u>6,388,345</u>
<b>OPERATING EXPENSES</b>		
Salaries and Benefits	1,348,661	285,949
Services and Supplies	2,168,184	1,172,223
Maintenance	-	179,622
Closure/Post Closure	1,408,694	-
Claims/Liability Adjustments	-	4,158,741
Depreciation	262,015	359,176
Total Operating Expenses	<u>5,187,554</u>	<u>6,155,711</u>
<b>OPERATING INCOME (LOSS)</b>	4,931,158	232,634
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Intergovernmental Revenues	81,815	-
Investment Income (Expense)	404,359	294,315
Gain (Loss) on Sale of Assets	556	33,756
Total Nonoperating Revenues (Expenses)	<u>486,730</u>	<u>328,071</u>
<b>CHANGE IN NET POSITION</b>	5,417,888	560,705
Net Position - Beginning of Year, Restated	<u>15,896,558</u>	<u>4,027,407</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 21,314,446</u></u>	<u><u>\$ 4,588,112</u></u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF LAKE  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2018**

	Business-Type Activities <u>Enterprise Funds</u> Solid Waste Management	Governmental Activities <u>Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$ 9,530,472	\$ -
Receipts from Interfund Charges for Service	-	6,388,345
Payments to Suppliers	(2,032,531)	(5,509,965)
Payments to Employees	(1,087,564)	(322,823)
Net Cash Provided (Used) by Operating Activities	<u>6,410,377</u>	<u>555,557</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating Grants	<u>81,815</u>	<u>-</u>
Net Cash Provided (Used) by Noncapital Financing Activities	81,815	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of Capital Assets	(479,515)	(186,743)
Proceeds from Sale of Capital Assets	<u>556</u>	<u>8,326</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	(478,959)	(178,417)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	<u>280,613</u>	<u>282,487</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	6,293,846	659,627
Cash and Cash Equivalents - Beginning of Year	<u>23,261,844</u>	<u>4,194,964</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 29,555,690</u></u>	<u><u>\$ 4,854,591</u></u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF LAKE  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2018**

	Business-Type Activities <u>Enterprise Funds</u> Solid Waste Management	Governmental Activities <u>Internal Service Funds</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ 4,931,158	\$ 232,634
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows Provided (Used) by Operating Activities:		
Depreciation	262,015	359,176
(Increase) Decrease in:		
Accounts Receivable	(588,240)	-
Inventory	-	(6,652)
Increase (Decrease) in:		
Accounts Payable	135,653	(10,795)
Salaries and Benefits Payable	32,630	(958)
Compensated Absences Payable	10,968	(110)
OPEB Liability	6,391	(35,806)
Net Pension Liability	211,108	-
Closure/Post Closure Liability	1,408,694	-
Claims Payable	-	18,068
Net Cash Provided (Used) by Operating Activities	<u>\$ 6,410,377</u>	<u>\$ 555,557</u>

See accompanying Notes to Basic Financial Statements.



**COUNTY OF LAKE  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2018**

	Investment Trust Fund	Successor Agency Private Purpose Trust Fund	Agency Funds
<b>ASSETS</b>			
Cash and Investments	\$ 78,078,151	\$ 135,763	\$ 14,745,889
Taxes and Assessments Receivable	-	-	8,939,461
Total Assets	<u>78,078,151</u>	<u>135,763</u>	<u>\$ 23,685,350</u>
<b>LIABILITIES</b>			
Advances from Other Funds	-	4,742,350	\$ -
Fiduciary Liabilities	-	-	23,685,350
Total Liabilities	<u>-</u>	<u>4,742,350</u>	<u>\$ 23,685,350</u>
<b>NET POSITION</b>			
Held in Trust	<u>\$ 78,078,151</u>	<u>\$ (4,606,587)</u>	

See accompanying Notes to Basic Financial Statements.

**COUNTY OF LAKE  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2018**

	Investment Trust Fund	Successor Agency Private Purpose Trust Fund
<b>ADDITIONS</b>		
Contributions from Participants	\$ 382,269,351	\$ -
Redevelopment Agency Property Tax Trust Fund	-	313,381
Interest and Investment Income	832,764	356
Total Additions	<u>383,102,115</u>	<u>313,737</u>
<b>DEDUCTIONS</b>		
Distributions to Participants	381,870,196	-
Project Administration	-	154,303
Total Deductions	<u>381,870,196</u>	<u>154,303</u>
<b>CHANGE IN NET POSITION</b>	1,231,919	159,434
Net Position - Beginning of Year	<u>76,846,232</u>	<u>(4,766,021)</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 78,078,151</u></u>	<u><u>\$ (4,606,587)</u></u>

See accompanying Notes to Basic Financial Statements.

**BASIC FINANCIAL STATEMENTS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 1 FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a county-wide basis including: public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting methods and procedures adopted by the County conform to accounting principles generally accepted in the United States of America as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

The governmental reporting entity consists of the County and its component units. Component units are legally separate organizations for which the Board of Supervisors is financially accountable or other organizations whose component units nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the Board of Supervisors. The financial statements of the individual component units may be obtained by writing to the County of Lake, Auditor-Controller's Office, 255 North Forbes Street, Lakeport, California, 95453.

The following blended component units, although legally separate entities, are considered to be part of the primary government for financial reporting purposes because their boards are comprised of County Board members, and/or they provide service exclusively to the County, and/or there exists a financial benefit or burden relationship:

**Air Quality District**

The Air Quality District is a separate legal entity formed to provide air quality services. The Air Quality District's Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, this entity has been blended with the primary government.

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Lake County Housing Commission

The Lake County Housing Commission is a separate legal entity formed to administer the Section 8 program. The Housing Commission's purpose is to administer the housing program of the County of Lake. The Housing Commission's Board of Commissioners is composed of the same members as the County's Board of Supervisors. Therefore, this entity has been blended with the primary government.

Watershed Protection Districts

The Watershed Protection Districts are separate legal entities formed to provide flood control in these districts within the County. The Watershed Protection District's Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, these entities have been blended with the primary government.

County Service Areas

The County Service Areas are separate legal entities created to provide services such as water and road maintenance throughout the County. The County Service Areas' Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, these entities have been blended with the primary government.

Lighting Districts

The Lighting Districts are separate legal entities formed to provide lighting services within these districts. The Lighting District's Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, these entities have been blended with the primary government.

Sanitation Districts

The Sanitation Districts are separate legal entities formed to provide sanitation maintenance services within the County. The Sanitation District's Board of Directors is composed of the same members as the County's Board of Supervisors. Therefore, these entities have been blended with the primary government.

IHSS

The *In-Home Supportive Services Public Authority* (IHSS) was established by the Board to act as the employer of record for IHSS individual providers. As an administrative unit, it carries out functions prescribed in Welfare & Institutions Code Section 12301.6. Those functions include a provider screening process, a registry that will match eligible providers and consumers, and collective bargaining with providers and their representatives. IHSS also offers access to training for providers and consumers while continuing to allow for consumer choice in the selection of providers. Though a legally separate entity, the IHSS Public Authority is programmatically integrated into the County service systems for aged, blind, and disabled individuals (including children).

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

Lake County Redevelopment Successor Agency

The *Lake County Redevelopment Successor Agency* (Successor Agency) operates under the auspices of a legislatively formed Oversight Board comprised of representatives of the local agencies that serve the redevelopment project area. The Oversight Board, in its fiduciary capacity, has authority over the operations and the timely dissolution of the former RDA. It is tasked with fulfilling the obligations of the former RDA, and is also responsible for revenue collection, and disposing of excess property.

Lake County Public Financing Authority

The *Lake County Public Financing Authority* was established in June 2011 by Board of Supervisors to provide financial assistance to the *Lake County Sanitation District* and the County in connection with the construction of public capital improvements. This component unit is reported within the Sanitation Districts Fund.

**B. Basis of Presentation**

Government-Wide Financial Statements

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the County, and its blended component units. These statements include the financial activities of the overall governments, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include (1) charges paid by the recipients of goods and services offered by the program, (2) operating grants and contributions, and (3) capital grants and contributions. Taxes and other items not properly included among program revenue are presented instead as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type; and

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

- Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The County reports the following major governmental funds:

- The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund indicates such activities as general government, public protection, public assistance, education, and recreation services.
- The Housing Programs Fund is a special revenue fund used to account for the County certificate housing program. Funding comes primarily from state and federal revenues.
- The Social Services Fund is a special revenue fund used to account for welfare assistance activity. Funding comes primarily from state and federal revenues.
- The Health Programs fund is a special revenue fund used to account for the operations of the health programs. Funding comes primarily from state and federal revenues.
- The Disaster Response & Recovery fund is a special revenue fund used to account for County disaster response and recovery activities. Funding comes primarily from state and federal revenues.
- The County reports the following major proprietary fund:
- The Solid Waste Management Fund is an enterprise fund used to provide for the operation and expansion of the County's landfills.

The County reports the following additional fund types:

- Internal Service Funds account for the County's fleet maintenance, central garage, heavy equipment rental, and self-insurance programs which provide services to other departments on a cost reimbursement basis.
- The Investment Trust Fund accounts for the assets of legally separate entities that deposit cash with the County Treasurer. The assets are held in trust for other agencies and are part of the County's external pool. The County is obligated to disburse monies on demand.
- Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the County, acting in the capacity of an agent for distribution to other governmental units or other organizations. The agency funds maintained by the County include three separate components:

County Departmental Agency – Accounts for all assets under the control of County departments which are held in a fiduciary capacity.



**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Unapportioned Taxes Agency – Accounts for property tax receipts awaiting apportionment to other local governmental agencies.

Unapportioned Interest Agency – Accounts for investment earnings awaiting apportionment to other local governmental agencies.

- Private-Purpose Trust Fund is a fiduciary fund type used by the County to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the Lake County Redevelopment Successor Agency (Successor Agency).

**C. Basis of Accounting and Measurement Focus**

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, including property and sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues reported in the governmental funds to be available if they are collected within forty-five days after the end of the current fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. Governmental capital asset acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

Fiduciary funds include trust funds and agency funds. All trust funds are reported using the economic measurement focus and the accrual basis of accounting. Agency funds are reported using the accrual basis of accounting to recognize receivables and payables.

**D. Cash and Investments**

The County sponsors an investment pool that is managed by the County Treasurer. The Treasurer invests on behalf of funds of the County and external participants in accordance with the California State Government Code and the County's investment policy. State statutes authorize the County to invest its cash surplus in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund. Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General Fund per County Policy. Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earned the interest.

Investment transactions are recorded on the trade date. Investments are reported at fair value which is determined using selected basis annually. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants each quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2016, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

For purpose of the accompanying statement of cash flows, the County considers all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool, to be cash equivalents.

**E. Receivables**

Receivables consist of amounts due from others outside of the County. The County considers all of its receivables as collectible and therefore, no allowance is recorded.

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**F. Interfund Transactions**

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e. the long-term portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance in the General Fund and restricted fund balance in other governmental funds.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and, therefore, are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are treated as an adjustment to expenditures or expenses; that is, a corresponding increase in expenditures or expenses in the reimbursing fund and a corresponding decrease in expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide presentation.

**G. Loans Receivables**

The County provides loans receivable arising under mortgage subsidy and affordable housing programs. These receivables include loans that may be forgiven if certain terms and conditions of the loans are met. The County considers all of its loans receivables as collectible and therefore, no allowance is recorded.

**H. Inventories**

Inventories are stated at cost (first in – first out basis) for governmental and proprietary funds. Inventory recorded by governmental funds include materials and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Inventories recorded by proprietary funds include supplies for internal service funds. Proprietary fund inventories are recorded as expenses at the time the inventory is consumed.

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**I. Capital Assets**

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Financial Statements

In the government-wide financial statements, property, plant, equipment, and infrastructure are accounted for as capital assets in both the governmental and business-type activities column. Capital assets which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, water, sewer, and similar items) are defined by the County as assets with a cost of more than \$5,000 for equipment and \$25,000 for structures, improvements, and infrastructure and an estimated useful life of at least one year. Such assets are recorded at historical or estimated historical cost. Contributed capital assets are recorded at estimated acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5 – 15 Years
Buildings and Improvements	10 – 50 Years
Infrastructure	40 – 100 Years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund at the time of acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

**J. Unearned Revenue**

Unearned revenue is recorded for assets recognized in connection with a transaction before the earnings process is complete. Those assets are offset by a corresponding liability for unearned revenue.

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**K. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two items, pension and OPEB, which qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of item which qualify for reporting in this category: pensions and unavailable revenue. The item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: intergovernmental revenue and charges for services. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**L. Long-Term Debt**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consist primarily of general obligation bonds, special assessment bonds with County commitment, loans payable, certificates of participation, capital leases, closure/post closure liability, and accrued compensated absences.

Long-term debt for governmental funds are not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. Long-term debt associated with proprietary fund operations is accounted for the same as in the government-wide statements.

**M. Compensated Absences**

The County's policy regarding vacation and other leave obligations is to permit employees to accumulate earned but unused vacation and other leave obligations. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the governmental funds financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature, while the proprietary funds report the liability as it is incurred. The County includes its share of social security and Medicare taxes payable on behalf of the employees in the accrual for compensated absences.

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**N. Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**O. Other Post-Employment Benefits (OPEB)**

The County of Lake sponsors, under a defined benefit plan, a retiree healthcare plan to qualifying employees retiring directly from the County. The benefit level is determined by date of hire, length of service and bargaining agreements. The County has contracted for medical coverage to be provided through an agent multiple-employer Healthcare plan from either of two carriers that include the California State Association of Counties (CSAC) EIA Health Program or the California Public Employees Medical and Hospital Care Act (PEMHCA).

**P. Fund Balances/Net Position**

**Government-Wide Financial Statements**

Net position is displayed in three components:

- Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements, and other special revenue fund purposes.
- Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position are available, restricted resources are depleted first before the unrestricted resources are used.

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**Fund Financial Statements**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2018, fund balances for governmental funds are made up of the following:

- *Nonspendable Fund Balance* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, including: inventories, prepaid amounts, and long-term notes receivable.
- *Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance* – includes amounts that can only be used for the specific purpose determined by approval of a board resolution by 3/5<sup>th</sup> vote of the County’s Board of Supervisors. Commitments may be changed or lifted only by the County taking the same formal action that imposed the constraint originally.
- *Assigned Fund Balance* – comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. The County Administrator and Director of Finance can assign fund balance to be used for specific purposes during budget preparation.
- *Unassigned Fund Balance* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditures is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

In Proprietary fund financial statements net position are accounted for the same as in the government-wide statements.

**Q. Property Tax**

The State of California’s (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market value, as defined by Article XIII A, and may be adjusted by no more than 2% per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% tax levy among the County, cities, school districts, and other districts.

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
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The County of Lake assesses properties and bills for and collects property taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation/lien dates	January 1	January 1
Levy dates	January 1	January 1
Due dates	November 1 (1 <sup>st</sup> installment) February 1 (2 <sup>nd</sup> installment)	July 1
Delinquent dates	December 10 (1 <sup>st</sup> installment) April 10 (2 <sup>nd</sup> installment)	August 31

The term “unsecured” refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within forty-five days after fiscal year-end.

The County of Lake apportions secured property tax revenue in accordance with the alternate method of distribution, the “Teeter Plan”, as described in Section 4717 of the California Revenue and Taxation code. Under the Teeter Plan, penalties and interest collected on delinquent secured taxes are required to be held in trust in the Tax Loss Recovery Fund (TLRF). The primary purpose of the TLRF is to cover losses that may occur as a result of special sales tax-defaulted property.

The County is legally required to maintain a minimum balance of 1% of the annual taxes levied on properties participating in the Teeter Plan. The County has set aside \$9,475,275 as resources for delinquent sale shortfalls. The County’s management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County’s Teeter Plan and accounted for in an agency fund.

**R. Grant Revenues**

Certain grant revenues are recognized when specific related expenditures have been incurred. Cash received prior to incurrence of the related expenditure is recorded as unearned revenue. In other grant programs, monies are virtually unrestricted as to purpose of expenditure and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if susceptible to accrual criteria is met.

**S. Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.



**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character  
    Current (further classified by function)  
    Debt Service  
    Capital Outlay

Proprietary Fund – By Operating and Nonoperating

**T. Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**U. New Accounting Pronouncements**

Governmental Accounting Standards Board Statement No. 75

In June 2015, the GASB issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which establishes new accounting and financial reporting requirements for OPEB plans improving the accounting and financial reporting by state and local governments for OPEB and provides information provided by state and local government employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. GASB Statement No. 57. As of July 1, 2017 the County implemented this Statement. See Note 5 for restatement to beginning net position.

**NOTE 2 CASH AND INVESTMENTS**

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. The investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the Board of Supervisors each quarter. The report covers the type of investments in the pool, maturity dates, par value, actual cost, and fair value.

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the reporting entity as an Investment Trust Fund which does not have separate financial reports. The state of California Statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The net position value of involuntary participation in the investment pool totaled \$78,078,151 at June 30, 2018.

As of June 30, 2018, the County's cash and investments are reported in the financial statements as follows:

Primary Government	\$ 143,759,414
Investment Trust Fund	78,078,151
Agency Funds	14,745,889
Private Purpose	135,763
Total Cash and Investments	<u><u>\$ 236,719,217</u></u>

As of June 30, 2018, the County's cash and investments consisted of the following:

Cash:	
Cash on Hand	\$ 146,203
Imprest Cash	10,390
Deposits (Less Outstanding Warrants)	19,318,616
Total Cash	<u>19,475,209</u>
Investments:	
In Treasurer's Pool	217,244,008
Total Investments	<u>217,244,008</u>
Total Cash and Investments	<u><u>\$ 236,719,217</u></u>

**Cash**

Custodial Credit Risk for Deposits – Custodial Credit Risk is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits of more than the \$250,000 insured amounts are collateralized. The County's investment policy does not further limit its deposits.

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Investments**

As of June 30, 2018, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	WAM (Years)
<b>Investments in Investment Pool</b>					
Commercial Paper	variable	7/2/18-8/20/18	\$ 30,000,000	\$ 29,834,845	0.08
Negotiable CD	variable	8/17/18-3/14/19	60,000,000	60,037,614	0.47
Corporate Bonds	variable	11/9/18-5/24/19	12,350,000	12,417,330	0.55
Non - U.S. Corporate Bonds	variable	7/23/18-7/12/21	46,200,000	46,459,085	0.60
Collateralized Passthroughs	variable	5/28/2019	8,097,493	10,076,291	0.15
Local Agency Investment Fund (LAIF)	variable	on demand	27,351,914	27,351,914	-
Money Market	variable	on demand	31,066,929	31,066,929	-
Total Treasurer's Pooled Investments			<u>\$ 215,066,336</u>	<u>\$ 217,244,008</u>	

**Interest Rate Risk** – Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the maturity of its investments to 5 years or less. Of the investments in the County's investment pool, over 97% of the investments have a maturity of one year or less. Of the remainder, none have a maturity of more than 5 years.

**Credit Risk** – Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law and County investment policy limit investments in commercial paper to the rating of A1 or better by Standards & Poor's or P-1 or better by Moody's Investors Service; corporate bonds to the rating of A or better by both Standard & Poor's and Moody's Investors Service. No limits are placed on U.S. government securities. The County's investment policy does not further limit its investment choices.

Investment Type	Credit Rating	Fair Value	Percent of Pool
Commercial Paper	Unrated	\$29,834,845	13.73 %
Negotiable Certificates of Deposit	A1	25,020,980	11.52
	AA3	35,016,634	16.12
Corporate Bonds	A1	8,019,129	3.69
	A+	4,398,201	2.02
Non - U.S. Corporate Bonds	AAA	5,004,000	2.30
	A1	17,112,803	7.88
	AA	24,342,282	11.21
Collateralized Passthroughs	Unrated	10,076,291	4.64
Local Agency Investment Fund	Unrated	27,351,914	12.59
Money Market	Unrated	31,066,929	14.30
		<u>\$ 217,244,008</u>	<u>100.00 %</u>

**Custodial Credit Risk** – Custodial Credit Risk is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in the name of the County. The County's investment policy does not further limit the exposure to custodial credit risk.

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law restricts the County's investments in commercial paper to 40% of its investment pool and to 10% per issuer and corporate bonds and medium term notes to 30% of its investment pool and to 10% per issuer and, banker's acceptances to 15% of its investment pool and to 10% per issuer. Approximately 12.77% of the County's investments at year-end are in the State of California Local Agency Investment Fund (LAIF). There is no limitation on amounts invested in these types of issues. At June 30, 2018 the County held the following concentration percentages and amounts by issuer: 6.94% (\$15,006,879), Norden BK; 5.57% (\$12,053,520), Royal Bk.

Investment in Local Agency Investment Fund – The County of Lake is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. At June 30, 2018, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$27,351,914, which approximates fair value and is the same as the value of the pool shares. The total amount, invested by all public agencies in LAIF on that day was \$88.82 billion. Of that amount 97.33% is invested in non-derivative financial products and 2.67% in structured notes and asset-backed securities. The value of the pool shares in LAIF is determined on an amortized cost basis, which approximates fair value. The Local Investment Advisory Board, which consists of five members, designated by the State statutes, has oversight responsibility for LAIF.

**County Investment Pool Condensed Financial Information**

The following are condensed statements of net position and changes in net position for the Treasurer's pool at June 30, 2018:

	Internal Participants	External Participants	Total Pool
<b>Statement of Net Position</b>			
Cash on Hand	\$ 146,203	\$ -	\$ 146,203
Deposits (Less Outstanding Warrants)	18,997,912	-	18,997,912
Investments	139,165,857	78,078,151	217,244,008
Total	<u>\$ 158,309,972</u>	<u>\$ 78,078,151</u>	<u>\$ 236,388,123</u>
<b>Statement of Changes in Net Position</b>			
Net Position Held for Pool			
Participants at July 1, 2017	\$ 135,679,827	\$ 76,846,232	\$ 212,526,059
Net Changes in Investments by Pool Participants	<u>22,630,145</u>	<u>1,231,919</u>	<u>23,862,064</u>
Net Position Held for Pool Participants at June 30, 2018	<u>\$ 158,309,972</u>	<u>\$ 78,078,151</u>	<u>\$ 236,388,123</u>

**Restricted Cash and Investments**

Restricted cash and investments of \$3,569,069 is held for realignment funding in the General Fund, and \$10,917,122 held to fund future closure costs on the County's landfill. See Note 7 for additional information.

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Fair Value Measurement**

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

*Level 1* – Investments reflect prices quoted in active markets;

*Level 2* – Investments reflect prices that are based on similar observable assets either directly or indirectly, which may include inputs in markets that are not considered to be active; and,

*Level 3* – Investments reflect prices based upon unobservable sources.

The pool has the following recurring fair value measurements as of June 30, 2018:

	Total	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Commercial Paper	\$29,834,845	\$ -	\$ 29,834,845	\$ -
Negotiable CD	60,037,614	-	60,037,614	-
Corporate Bonds	12,417,330	12,417,330	-	-
Non - U.S. Corporate Bonds	46,459,085	46,459,085	-	-
Collateralized Passthroughs	10,076,291	-	10,076,291	-
Money Market	31,066,929	31,066,929	-	-
Total Investments Measured at Fair Value	189,892,094	<u>\$ 89,943,344</u>	<u>\$ 99,948,750</u>	<u>\$ -</u>
Investments Measured at Amortized Cost:				
California Local Agency Investment Fund (LAIF)	<u>27,351,914</u>			
Total Pooled and Directed Investments	<u>\$ 217,244,008</u>			

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 3 CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2018 was as follows:

	Balance July 1, 2017	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2018
<b>Governmental Activities</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 23,532,574	\$ -	\$ (1,686,260)	\$ (3,301)	\$ 21,843,013
Construction in progress	25,913,913	9,911,649	-	(7,670,447)	28,155,115
Total Capital Assets, Not Being Depreciated	49,446,487	9,911,649	(1,686,260)	(7,673,748)	49,998,128
Capital Assets, Being Depreciated:					
Buildings and improvements	74,389,287	171,563	(1,051,896)	-	73,508,954
Equipment	28,962,780	1,142,492	(1,263,031)	(34,327)	28,807,914
Infrastructure	198,985,314	83,238	-	7,670,447	206,738,999
Total Capital Assets, Being Depreciated	302,337,381	1,397,293	(2,314,927)	7,636,120	309,055,867
Less Accumulated Depreciation for:					
Buildings and improvements	(29,849,591)	(1,455,162)	206,913	-	(31,097,840)
Equipment	(20,786,842)	(1,838,592)	1,169,399	-	(21,456,035)
Infrastructure	(134,644,580)	(4,166,091)	-	(3,140)	(138,813,811)
Total Accumulated Depreciation	(185,281,013)	(7,459,845)	1,376,312	(3,140)	(191,367,686)
Total Capital Assets, Being Depreciated, Net	117,056,368	(6,062,552)	(938,615)	7,632,980	117,688,181
Governmental Activities Capital Assets, Net	\$ 166,502,855	\$ 3,849,097	\$ (2,624,875)	\$ (40,768)	\$ 167,686,309
<b>Business-Type Activities</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 742,356	\$ -	\$ -	\$ -	\$ 742,356
Construction in progress	77,816	296,250	-	-	374,066
Total Capital Assets, Not Being Depreciated	820,172	296,250	-	-	1,116,422
Capital Assets, Being Depreciated:					
Buildings and improvements	1,544,208	-	-	-	1,544,208
Equipment	4,215,662	183,265	-	16,653	4,415,580
Infrastructure	3,794,600	-	-	-	3,794,600
Total Capital Assets, Being Depreciated	9,554,470	183,265	-	16,653	9,754,388
Less Accumulated Depreciation for:					
Buildings and improvements	(569,395)	(30,305)	-	-	(599,700)
Equipment	(3,145,720)	(155,818)	-	(16,653)	(3,318,191)
Infrastructure	(721,826)	(75,892)	-	-	(797,718)
Total Accumulated Depreciation	(4,436,941)	(262,015)	-	(16,653)	(4,715,609)
Total Capital Assets, Being Depreciated, Net	5,117,529	(78,750)	-	-	5,038,779
Business-Type Activities Capital Assets, Net	\$ 5,937,701	\$ 217,500	\$ -	\$ -	\$ 6,155,201

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Depreciation**

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 698,832
Public Protection	936,292
Public Ways and Facilities	2,263,280
Health and Sanitation	2,669,402
Public Assistance	287,764
Education	33,154
Culture and Recreation	211,945
Internal Service Fund Depreciation Expense is	
Charged to Specific Functions Based on Asset Usage	<u>359,176</u>
Total Depreciation Expense -	
Governmental Functions	<u><u>\$ 7,459,845</u></u>

Depreciation expense was charged to business-type functions as follows:

Solid Waste	<u><u>\$ 262,015</u></u>
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**Construction in Progress**

Construction in progress is related to the Lower Lake maintenance shop rebuild from Clayton Fire, Hammond Park restoration from Winter Storms 2017, multiple Public Works bridge projects throughout the County, Special Districts Valley Fire water and sewer repair and rebuild projects on Cobb Mountain, Clearlake Oaks sidewalk project, and upgrades to the County jail.

**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 4 LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2018:

Type of Indebtedness	Balance July 1, 2017	Additions	Retirements	Balance June 30, 2018	Amount Due Within One Year
<b>Governmental Activities</b>					
Special Assessment Bonds					
with County Commitment	\$ 131,000	\$ -	\$ 64,000	\$ 67,000	\$ 67,000
Revenue Bonds	4,045,000	-	-	4,045,000	105,000
Loans Payable	6,183,473	-	3,460,915	2,722,558	282,551
Certificates of Participation	2,402,096	-	50,600	2,351,496	52,700
Compensated Absences (Note 1M)	3,437,650	4,420,794	4,465,522	3,392,922	427,133
Total Governmental Activities	<u>\$ 16,199,219</u>	<u>\$ 4,420,794</u>	<u>\$ 8,041,037</u>	<u>\$ 12,578,976</u>	<u>\$ 934,384</u>
<b>Business-Type Activities</b>					
Closure/Post Closure (Note 7)	\$ 10,288,969	\$ 1,219,218	\$ -	\$ 11,508,187	\$ -
Corrective Action	2,621,028	189,476	-	2,810,504	-
Total	<u>12,909,997</u>	<u>1,408,694</u>	<u>-</u>	<u>14,318,691</u>	<u>-</u>
Solid Waste Management:					
Compensated Absences	<u>63,332</u>	<u>82,755</u>	<u>71,787</u>	<u>74,300</u>	<u>15,534</u>
Total Business-Type Activities	<u>\$ 12,973,329</u>	<u>\$ 1,491,449</u>	<u>\$ 71,787</u>	<u>\$ 14,392,991</u>	<u>\$ 15,534</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Estimated claims are liquidated by charges for services collected through individual internal service funds. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred.

Special assessment bonds with County commitment are not a direct responsibility of the County. Principal and interest payments are funded from the collection of special assessments and are accounted for in the Sanitation District's component unit special revenue fund. The County is obligated for special assessment debt only to the extent of special assessments collected.

At June 30, 2018, special assessment bonds with County Commitment consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2018
<b>Special Assessment Bonds:</b>						
Sanitation District #1-5 1915 Act		7/2/2019	5.00%	\$55,000 - \$67,000	\$ 1,340,000	<u>\$ 67,000</u>



**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

At June 30, 2018, revenue bonds consisted of the following:

	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2018
<b>Revenue Bonds</b>					
Southeast Regional Wastewater Revenue Bonds, Series, 2011	7/15/2040	2.000% - 5.875%	\$95,000 - \$300,000	\$ 4,500,000	<u>\$ 4,045,000</u>
<i>Used to finance construction and improvements of the Southeast Regional Wastewater System.</i>					

At June 30, 2018, loans payable consisted of the following:

	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2018
<b>Loans Payable</b>					
Safe Drinking Water Loan	9/30/2023	3.2205%	\$179,224 - \$224,266	\$ 4,387,769	\$ 1,054,073
<i>Used to finance the cost of correcting deficiencies in the domestic water supply for the Lake County Service Area #20 Soda Bay.</i>					
State Water Resources Control Board Loan	12/31/2030	1.0%	\$61,486 - \$71,383	\$ 1,299,753	874,807
<i>Used to upgrade the Kelseyville Water Works District Wastewater System.</i>					
Safe Drinking Water Revolving Fund	5/25/2022	0%	\$21,839	\$ 90,725	43,678
<i>Used to finance the cost of studies, planning and other preliminary activities for a project which will enable Supplier to meet safe drinking water standards</i>					
Lakeside Heights HOA Loan	11/22/2024	Variable	\$0	\$ 750,000	750,000
<i>Used to finance the costs of defense in the matter of Lakeside HOA, et al. v. County of lake, et al.</i>					
					<u>\$ 2,722,558</u>

At June 30, 2018, certificates of participation consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2018
<b>Certificates of Participation</b>						
Kelseyville County Waterworks District #3 - Water Project Series 2005		4/1/2045	4.25%	\$35,900 - \$110,600	\$ 2,394,800	\$ 1,755,796
<i>Used to finance the construction of water system improvements.</i>						
County Service Area #6, Finley Water - Water Project Series 2005		4/1/2045	4.375%	\$10,500 - \$36,400	714,000	595,700
<i>Used to finance the construction of water system improvements.</i>						
						<u>\$ 2,351,496</u>

At June 30, 2018, the annual debt service requirements were summarized as follows:

**Governmental Activities**

**Special Assessment Bonds**

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	67,000	1,675	68,675
Total	<u>\$ 67,000</u>	<u>\$ 1,675</u>	<u>\$ 68,675</u>

**COUNTY OF LAKE  
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**Loans Payable and Revenue Bonds Payable**

Year Ending June 30,	Loans			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 282,551	\$ 41,123	\$ 323,674	\$ 100,000	\$ 217,675	\$ 317,675
2020	289,541	34,133	323,674	105,000	213,700	318,700
2021	275,047	26,788	301,835	105,000	209,500	314,500
2022	282,483	19,352	301,835	110,000	205,063	315,063
2023	290,187	11,647	301,834	115,000	200,138	315,138
2024-2028	1,090,714	74,312	1,165,026	665,000	908,781	1,573,781
2029-2033	212,035	4,255	216,290	855,000	709,788	1,564,788
2034-2038	-	-	-	1,135,000	425,791	1,560,791
2039-2041	-	-	-	855,000	77,109	932,109
Total	<u>\$ 2,722,558</u>	<u>\$ 211,610</u>	<u>\$ 2,934,168</u>	<u>\$ 4,045,000</u>	<u>\$ 3,167,545</u>	<u>\$ 7,212,545</u>

**Certificate of Participation**

Year Ending June 30,	Principal	Interest	Total
2019	\$ 52,700	\$ 110,611	\$ 163,311
2020	55,000	108,357	163,357
2021	57,300	106,004	163,304
2022	59,700	103,552	163,252
2023	62,300	100,998	163,298
2024-2028	353,800	462,687	816,487
2029-2033	436,300	380,195	816,495
2034-2038	537,900	278,531	816,431
2039-2043	663,300	153,163	816,463
2044-2045	73,196	19,929	93,125
Total	<u>\$ 2,351,496</u>	<u>\$ 1,824,026</u>	<u>\$ 4,175,522</u>

**Rebatable Arbitrage**

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. The County does not expect to incur a liability for rebatable arbitrage.

**NOTE 5 NET POSITION/FUND BALANCES**

**Net Position**

Net investment in capital assets was comprised of the following:

	Governmental Activities	Business-Type Activities
Capital Assets Net of Accumulated Depreciation	\$ 167,686,309	\$ 6,155,201
Outstanding Principal of Capital-Related Debt	<u>(8,436,053)</u>	<u>-</u>
Net Position, Net Investment in Capital Assets	<u>\$ 159,250,256</u>	<u>\$ 6,155,201</u>

**COUNTY OF LAKE  
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**Fund Balances**

Details of the fund balance classifications of the governmental funds as of June 30, 2018 are as follows:

	General Fund	Housing Programs	Social Services	Health Programs	Disaster Response & Recovery	Other Governmental Funds	Total
<b>Nonspendable:</b>							
Advances to Other Funds	\$ 5,086,145	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,086,145
Inventory	-	-	-	-	-	106,543	106,543
Total Nonspendable	5,086,145	-	-	-	-	106,543	5,192,688
<b>Restricted for:</b>							
General Government	2,059,664	-	-	-	-	1,597,779	3,657,443
Public Protection	3,609,944	-	-	-	1,019,287	8,886,999	13,516,230
Public Assistance	-	5,664,711	6,289,665	-	-	1,633,432	13,587,808
Health and Sanitation	-	-	-	2,954,526	-	15,390,778	18,345,304
Public Ways and Facilities	-	-	-	-	-	15,335,891	15,335,891
Education	-	-	-	-	-	263,769	263,769
Recreation	-	-	-	-	-	145,135	145,135
Debt Service	-	-	-	-	-	5,233,113	5,233,113
Capital Projects	-	-	-	-	-	1,589,649	1,589,649
Total Restricted	5,669,608	5,664,711	6,289,665	2,954,526	1,019,287	50,076,545	71,674,342
<b>Assigned for:</b>							
General Reserve	7,000,000	-	-	-	-	-	7,000,000
Infrastructure	5,823,734	-	-	-	-	-	5,823,734
General Government	1,289,999	-	-	-	-	-	1,289,999
Total Assigned	14,113,733	-	-	-	-	-	14,113,733
<b>Unassigned</b>	10,482,492	-	-	-	-	-	10,482,492
Total Fund Balances	<u>\$ 35,351,978</u>	<u>\$ 5,664,711</u>	<u>\$ 6,289,665</u>	<u>\$ 2,954,526</u>	<u>\$ 1,019,287</u>	<u>\$ 50,183,088</u>	<u>\$ 101,463,255</u>

**COUNTY OF LAKE**  
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**Prior Period Adjustments**

Adjustments resulting from the implementation of new standards or errors are treated as prior period adjustments. Accordingly, the County reports these changes as restatements of beginning fund balance / net position. Restatements as of the beginning of the fiscal year were made to restate the reporting of prior year revenues and expenses / expenditures.

The impact of the restatements on fund balance / net position as previously reported is presented below:

	Government-Wide Statements		Governmental Funds	
	Governmental Activities	Business Type Activities	General Fund	Health Programs
Fund balance / net position, June 30, 2017, as previously reported	\$ 183,526,388	\$ 15,895,114	\$ 26,884,892	\$ 380,749
Implementation of new accounting standard: Recognize beginning balance of net OPEB liability and related deferred inflows and outflows for initial year of GASB 75 implementation.	(2,353,889)	1,444	-	-
Correction: Recognize revenue incorrectly reported as unearned in a prior period	5,414,475	-	2,944,630	2,418,279
Fund balance / net position, June 30, 2017, as restated	<u>\$ 186,586,974</u>	<u>\$ 15,896,558</u>	<u>\$ 29,829,522</u>	<u>\$ 2,799,028</u>
	Governmental Funds	Enterprise Funds		
	Other Governmental	Solid Waste		
Fund balance / net position, June 30, 2017, as previously reported	\$ 48,892,763	\$ 15,895,114		
Implementation of new accounting standard: Recognize beginning balance of net OPEB liability and related deferred inflows and outflows for initial year of GASB 75 implementation.	-	1,444		
Corrections: Recognize revenue incorrectly reported as unearned in a prior period	51,566	-		
Fund balance / net position, June 30, 2017, as restated	<u>\$ 48,944,329</u>	<u>\$ 15,896,558</u>		

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 6 LEASES**

**Operating Leases**

The County leases office buildings and equipment under noncancellable operating leases. Total cost for these leases was \$982,607 for the year ended June 30, 2018. The future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>
2019	\$ 964,605
2020	928,601
2021	750,451
2022	562,702
2023	550,739
2024-2028	2,458,642
2029-2032	1,105,597
Total	<u>\$ 7,321,337</u>

**NOTE 7 CLOSURE/POST-CLOSURE**

The County of Lake has one landfill. State and Federal laws and regulations require the County to perform certain closure and post-closure maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and post-closure care costs as an expenditure in each year based on landfill capacity used as of each balance sheet date. The \$14,318,691 reported as closure/post-closure and corrective action costs liability at June 30, 2018, represents the cumulative amount reported to date based on the use of 86.25% of total estimated site capacity. The estimated remaining life of the landfill is 7 years.

These amounts are based on what it would cost to perform all closure and post-closure care in 2018. Actual costs may be higher due to inflation, change in technology, or changes in regulations.

The County is required by state and Federal laws and regulations to provide financial assistance that appropriate resources will be available to finance closure and post-closure care costs in the future. At June 30, 2018, cash and investments of \$10,917,122 were held to fund closure costs and are reported as restricted cash on the Solid Waste Management's financial statements.

The County has approved a pledge of revenue to fund the post-closure costs. However, if additional closure, post-closure or reasonably foreseeable corrective action requirements are determined, funding for these liabilities may need to be covered by increased charges to future landfill users.

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 8 INTERFUND TRANSACTIONS**

**Advances To/From Other Funds**

The following are advances to/from other funds as of June 30, 2018:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	RDA Successor Agency	\$ 4,742,350
	Other Governmental Funds	343,795
		<u>5,086,145</u>
Other Governmental Funds	Other Governmental Funds	<u>12,933</u>
Total		<u><u>\$ 5,099,078</u></u>

General fund advances were made to fund road improvement projects, and for the Hill Road Jail construction project. Other governmental fund advances were made to fund economic development and the supplemental education revenue augmentation obligation.

**Transfers**

Transfers are indicative of funding for capital projects, lease payments, or debt service. The following are the interfund transfers for the fiscal year ended June 30, 2018:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Health Programs	\$ 118,222
	Other Governmental Funds	601,069
		<u>719,291</u>
Social Services	Housing	110,000
Other Governmental Funds	General Fund	1,172,566
	Social Services	23,991
	Other Governmental Funds	102,663
		<u>1,299,220</u>
Total		<u><u>\$ 2,128,511</u></u>

**NOTE 9 EMPLOYEES' RETIREMENT PLAN**

**General Information about the Pension Plans**

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the County's separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by state statute and County's resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit

**COUNTY OF LAKE  
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provisions, assumptions, and membership information that can be found on the CalPERS website.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2018 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit Formula	2% @ 55	2% @ 62
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	55	62
Monthly Benefits, as a % of Eligible Compensation	2%	2%
Required Employee Contribution Rates	7%	6.75%
Required Employer Contribution Rates	15.357%	15.657%

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit Formula	2% @ 50	2.7% @ 57
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50	57
Monthly Benefits, as a % of Eligible Compensation	2%	2.7%
Required Employee Contribution Rates	9.00%	12.00%
Required Employer Contribution Rates	26.292%	26.292%

**Contributions** – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

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**Net Pension Liability**

The County's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2017, using an annual actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

***Actuarial Assumptions*** – The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2016 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

***Discount Rate*** – The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.



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The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10(a)</u>	<u>Real Return Years 11 + (b)</u>
Global Equity	47.0 %	4.90 %	5.38 %
Fixed Income	19.0	0.80 %	2.27 %
Inflation Assets	6.0	0.60 %	1.39 %
Private Equity	12.0	6.60 %	6.63 %
Real Estate	11.0	2.80 %	5.21 %
Infrastructure and Forestland	3.0	3.90 %	5.36 %
Liquidity	2.0	(0.40)%	(0.90)%
Total	<u>100.0 %</u>		

(a) An expected inflation of 2.50% used for this period.

(b) An expected inflation of 3.00% used for this period.

**Changes in the Net Pension Liability**

The changes in the net pension liability for each Plan follow:

	<u>Increase (Decrease)</u>		
<u>Miscellaneous Plan</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Balance at June 30, 2017	\$ 205,893,707	\$ 158,642,762	\$ (47,250,945)
Change in the Year:			
Service Cost	5,696,662	-	(5,696,662)
Interest on Total Pension Liability	15,658,809	-	(15,658,809)
Change of Assumptions	12,481,509		
Differences Between Expected and Actual Experience	3,897,477	-	(3,897,477)
Plan to Plan Resource Movement	-	(2,017)	(2,017)
Contributions - Employer	-	4,867,987	4,867,987
Contributions - Employee	-	2,339,936	2,339,936
Net Investment Income	-	17,600,138	17,600,138
Benefit Payments, Including Refunds of Employee Contributions	(11,079,087)	(11,079,087)	-
Administrative Expenses	-	(233,569)	(233,569)
Change of Allocation	(577,161)	(444,707)	132,454
Net Changes	<u>26,078,209</u>	<u>13,048,681</u>	<u>(13,029,528)</u>
Balance at June 30, 2018	<u>\$ 231,971,916</u>	<u>\$ 171,691,443</u>	<u>\$ (60,280,473)</u>

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	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
<b><u>Safety Plan</u></b>			
Balance at June 30, 2017	\$ 87,084,400	\$ 62,580,101	\$ (24,504,299)
Change in the Year:			
Service Cost	2,251,368	-	(2,251,368)
Interest on Total Pension Liability	6,507,634	-	(6,507,634)
Change of Assumptions	5,792,363		
Differences Between Expected and Actual Experience	(738,742)	-	738,742
Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	2,129,622	2,129,622
Contributions - Employee	-	862,369	862,369
Net Investment Income	-	6,923,100	6,923,100
Benefit Payments, Including Refunds of Employee Contributions	(4,495,684)	(4,495,684)	-
Administrative Expenses	-	(92,395)	(92,395)
Net Changes	<u>9,316,939</u>	<u>5,327,012</u>	<u>(3,989,927)</u>
Balance at June 30, 2018	<u>\$ 96,401,339</u>	<u>\$ 67,907,113</u>	<u>\$ (28,494,226)</u>

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate*** – The following presents the net pension liability of the County for each Plan, calculated using the discount rate for each Plan, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 90,378,764	\$ 42,730,260
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 60,280,473	\$ 28,494,226
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 35,297,697	\$ 16,964,202

***Pension Plan Fiduciary Net Position*** – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

**Miscellaneous Plan**

For the year ended June 30, 2018, the County recognized pension expense of \$11,927,222.

Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan

**COUNTY OF LAKE**  
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benefits. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b><u>Miscellaneous Plan</u></b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Pension Contributions Subsequent to Measurement Date	\$ 5,186,389	\$ -
Change in Assumptions	8,177,541	-
Differences Between Expected and Actual Experience	2,553,519	(127,042)
Net Difference Between Projected and Actual Earnings on Plan Investments	2,267,349	-
Total	<u>\$ 18,184,798</u>	<u>\$ (127,042)</u>

The County reported \$5,186,389 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<b><u>Year Ending June 30,</u></b>	<b><u>Amount</u></b>
2019	\$ 5,445,523
2020	7,749,384
2021	967,995
2022	(1,291,535)
Total	<u>\$ 12,871,367</u>

**Safety Plan**

For the year ended June 30, 2018, the County recognized pension expense of \$4,642,336.

Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b><u>Safety Plan</u></b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Pension Contributions Subsequent to Measurement Date	\$ 2,527,437	\$ -
Change in Assumptions	4,226,859	(446,693)
Differences Between Expected and Actual Experience	286,908	(583,449)
Net Difference Between Projected and Actual Earnings on Plan Investments	963,107	-
Total	<u>\$ 8,004,311</u>	<u>\$ (1,030,142)</u>

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The County reported \$2,527,437 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2019	\$ 1,069,219
2020	2,507,501
2021	1,371,449
2022	(501,437)
Total	<u>\$ 4,446,732</u>

**NOTE 10 OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

**Plan Description**

The County sponsors medical coverage to be provided through an agent multiple-employer Healthcare plan. The County arranges health insurance coverage for employees from either of two carriers that include the California State Association of Counties (CSAC) EIA Health Program or the California Public Employees Medical and Hospital Care Act (PEMHCA). Both carriers provide health insurance through a variety of Health Maintenance Organizations (HMO) and Preferred Provider Organization (PPO) options.

Participation in the chosen healthcare plan is through a flexible benefits plan, with contributions made to the plan of up to \$800 per month for active employees. This amount includes the \$125 per month required by PEMHCA. Dental, vision and life insurance are also available and are included in the \$800 per month County contribution maximum. Copies of PERS' annual financial report may be obtained from their executive office – 400 P Street, Sacramento, CA 95814. CSAC EIA's annual financial report may be obtained by contacting them at the Office of the Chief Financial Officer, 75 Iron Point Circle, Suite 200, Folsom, California 95630.

The County extends health coverage to its retirees. The County makes the required statutory PEMHCA contribution and other monthly insurance stipends as described below for retirees that chose to continue coverage within the County plan offerings.

Retirees who have completed at least 15 continuous years of service with the County at the time of retirement are eligible for County stipend of 50% of the retiree-only medical premium depending on the health insurance option selected by the retiree. Retirees who have completed at least 20 continuous years of service at retirement are eligible for a 75% of the retiree-only medical premium depending on the health insurance option selected by the retiree. County contribution ceases at age 65 or upon death of retiree, if earlier. For those retirees covered by the PEMHCA plans, the statutory amount required continues beyond age 65 as required by law. Retirees may choose spousal and/or dependent child coverage; however, there is no County contribution for this coverage or for dental/vision coverage of either the retiree or dependents.

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**Employees Covered by Benefit Terms**

At June 30, 2017, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	92
Active Employees	840
Total	<u>932</u>

**Contributions**

The County contributes to the OPEB plan on a pay-as-you-go basis.

**Actuarial Assumptions**

The County's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

The net OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2017
Contribution Policy	Pay-as-you-go
Discount Rate	3.13% at June 30, 2017 3.13% at June 30, 2016
Expected Long-Term Rate of Return on Investments	Same as discount rate - expected County Contributions projected to keep sufficient plan assets to pay all benefits from trust
General Inflation	2.25% per annum
Pre-retirement Mortality Rates	RP-2014 Employee Mortality Table for Males or Females, without projection.
Post-retirement Mortality Rates	RP-2014 Health Annuitant Mortality Table for Males or Females, without projection.
Salary Increases	Aggregate - 3%
Healthcare Trend	6.00% for 2017; 5.00% for 2018 and later years

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**Changes in the OPEB Liability**

The changes in the net OPEB liability for the County are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance - June 30, 2017	\$ 11,003,983	\$ -	\$ 11,003,983
Change in the Year:			
Service Cost	712,709	-	712,709
Interest on Total OPEB Liability	335,925	-	335,925
Contributions - Employer	-	547,351	547,351
Benefit Payments, Including Refunds of Employee Contributions	(547,351)	(547,351)	(1,094,702)
Net Changes	501,283	-	501,283
Balance - June 30, 2018	<u>\$ 11,505,266</u>	<u>\$ -</u>	<u>\$ 11,505,266</u>

**Discount Rate and Trend Sensitivity**

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Discount Rate		
	1% Decrease 2.13%	Current Rate 3.13%	1% Increase 4.13%
Net OPEB Liability (Asset)	\$ 12,560,322	\$ 11,505,266	\$ 10,558,595

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Healthcare Trend Rate		
	1% Decrease	Current Trend	1% Increase
Net OPEB Liability (Asset)	\$ 10,310,615	\$ 11,505,266	\$ 12,915,595

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2018, the County recognized OPEB expense of \$475,599. As of fiscal year ended June 30, 2018, the County reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB Contributions Subsequent to Measurement Date	<u>\$ 322,510</u>	<u>\$ -</u>

The \$322,510 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2017 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2019.

**NOTE 11 RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has Risk Management Funds (Internal Service Funds) to finance its insured and uninsured risks of loss. The County's uninsured risk of loss for public liability claims is \$10,000 per occurrence; the County is fully insured for workers' compensation losses and the County is fully self-insured for all unemployment claims. The County is a member of the County Supervisors Association of California Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for counties. The County pays annual premiums to the Authority for insurance coverage.

Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

Actual claims unpaid as of June 30, 2018, including any estimates for incurred but not reported (IBNR) amounts, constitute claims payable. The claims liability at June 30, 2018 was as follows:

Unemployment	\$ 101,559
Public Liability	330,000
Total	<u><u>\$ 431,559</u></u>

All funds of the County participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$431,559 reported in the funds at June 30, 2018, is based on the requirements of Governmental Accounting Standards Board Statement Nos. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Estimates of the liabilities for incurred (both reported and unreported), but unpaid claims are actuarially determined. Liabilities are based on the estimated cost of settling the claims.

**COUNTY OF LAKE  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

Changes in the County's claims liability amount for the fiscal years 2017, and 2018 were as follows:

<u>Year Ended</u>	<u>Beginning of Year</u>	<u>Changes in Estimates</u>	<u>Claims Payable</u>	<u>End of Year</u>
2017	709,843	4,807,334	4,510,982	413,491
2018	413,491	4,140,673	4,158,741	431,559

The ultimate settlement of specific claims against the County cannot presently be determined and no provision for any other liability that may result has been made in the financial statements.

**NOTE 12 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Deficit Fund Balance/Net Position**

As of June 30, 2018, the following fund had a deficit fund balance/net position:

	<u>Deficit</u>
Fleet Maintenance	\$ (75,791)

The Fleet Maintenance fund deficit is due to expenditures in excess of revenues. This deficit will be funded by future revenues.

**NOTE 13 EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS**

The following fund reported an excess of expenditures over appropriations for the fiscal year ended June 30, 2018:

	<u>Amount in Excess</u>
CDBG Programs Fund	\$ 59,234

**NOTE 14 OTHER INFORMATION**

**Construction Commitments**

The County has signed agreements to construct various capital improvement projects that were not completed by June 30, 2018. The balance owed on these commitments at June 30, 2018 was approximately \$15,661,960. The cost of these commitments will be financed by monies that have been set aside for those specific capital improvement projects.

**Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.



**COUNTY OF LAKE**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

The County is a defendant in various lawsuits. In the aggregate, these claims seek monetary damages in significant amounts. However, in the opinion of County Counsel, final disposition should not materially adversely affect the financial position of the County, since the legal matters are covered by the County's liability program which, subject to a \$10,000 deductible per occurrence, provides complete coverage for any County liability losses. Therefore, no provision has been made in the financial statements for a loss contingency.

The County has received cease and desist orders on water and wastewater special districts. The action required to correct these situations will require future application of funding and or debt as well as capital outlay expenditures. There is not an estimate at this time of the eventual cost to the County. Therefore, no provision has been made in the financial statements.

**NOTE 15 SUBSEQUENT EVENTS**

Management has evaluated events subsequent to June 30, 2018 through March 28, 2019, the date on which the financial statements were available for issuance. Management has determined that there were no subsequent events, other than the following that require disclosure in these financial statements.

On June 23, 2018 the County experienced another significant fire disaster, the Pawnee Fire, which destroyed or damaged fifteen residences in the Spring Valley area of Lake County, burning over 15,000 acres in Lake and Yolo County. Early estimates of infrastructure damage and private property damage were in excess of \$3.8 million. On July 27, 2018 two wildfires, later names the Mendocino Complex Fire, erupted in neighboring Mendocino County and quickly entered into Lake County, moving on into Yolo and Glenn counties consuming 459,123 acres. Full containment took almost two months and occurred on September 18, 2019. In Lake County 244 homes and structures were destroyed or damaged with early estimates of infrastructure and private property damage at over \$17 million. Initial 2018/19 property tax losses from these two fires are estimated at \$200,063.

On July 23, 2018 the County paid off the \$750,000 California State Association of Counties Lakeside Heights HOA loan.

Through the LAFCO process on August 13, 2018 the County water systems of Mt. Hannah-CSA #22, Bonanza Springs-CSA #7, and Starview-CSA #18 were consolidated with independent water district Cobb Area Water. The result is a transfer of the assets and liabilities of those districts from the County to the Cobb Area Water, with liquid assets exceeding \$450,000, while capital assets in excess of \$5 million were transferred on that date.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**COUNTY OF LAKE**  
**SCHEDULE OF CHANGE IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**YEAR ENDED JUNE 30, 2018**

Last 10 Fiscal Years*	Miscellaneous Plans			
	Reporting Year			
	(Measurement Year)			
	2018 2017	2017 2016	2016 2015	2015 2014
<b>TOTAL PENSION LIABILITY</b>				
Service Cost	\$ 5,696,662	\$ 4,741,101	\$ 4,840,649	\$ 4,826,101
Interest on Total Pension Liability	15,658,809	14,825,121	14,514,517	13,855,172
Changes of Assumptions	12,481,509	-	(2,572,483)	-
Differences Between Expected and Actual Experience	3,897,477	(382,197)	(1,596,171)	-
Benefit Payments, including Refunds of				
Employee Contributions	(11,079,087)	(10,188,780)	(9,932,033)	(9,114,501)
Changes in Allocation	(577,161)	(4,802,630)	-	-
<b>NET CHANGE IN TOTAL PENSION LIABILITY</b>	<b>26,078,209</b>	<b>4,192,615</b>	<b>5,254,479</b>	<b>9,566,772</b>
Total Pension Liability - Beginning	205,893,707	201,701,092	196,446,613	186,879,841
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 231,971,916</b>	<b>\$ 205,893,707</b>	<b>\$ 201,701,092</b>	<b>\$ 196,446,613</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Plan to Plan Resource Movement	\$ (2,017)	\$ 72,635	\$ 3,012	\$ -
Contributions - Employer	4,867,987	4,671,021	5,428,168	3,778,744
Contributions - Employee	2,339,936	2,298,421	2,182,847	2,027,657
Net Investment Income	17,600,138	841,268	3,688,340	24,523,349
Benefit Payments, including Refunds of				
Employee Contributions	(11,079,087)	(10,188,780)	(9,932,033)	(9,114,501)
Administrative Expense	(233,569)	(98,149)	(185,557)	-
Changes in Allocation	(444,707)	(3,928,147)	648,042	-
<b>NET CHANGE IN PLAN FIDUCIARY NET POSITION</b>	<b>13,048,681</b>	<b>(6,331,731)</b>	<b>1,832,819</b>	<b>21,215,249</b>
Plan Fiduciary Net Position - Beginning	158,642,762	164,974,493	163,141,674	141,926,425
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 171,691,443</b>	<b>\$ 158,642,762</b>	<b>\$ 164,974,493</b>	<b>\$ 163,141,674</b>
Net Pension Liability - Ending	<b>\$ 60,280,473</b>	<b>\$ 47,250,945</b>	<b>\$ 36,726,599</b>	<b>\$ 33,304,939</b>
Plan Fiduciary Net Percentage as a Percentage of the Total Pension Liability	74.01 %	77.05 %	81.79 %	83.05 %
Covered Payroll	\$ 33,273,594	\$ 33,544,186	\$ 32,882,926	\$ 31,401,502
Net Pension Liability as a Percentage of Covered Payroll	181.17 %	140.86 %	111.69 %	106.06 %

\*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

See accompanying Notes to Required Supplementary Information.

**COUNTY OF LAKE**  
**SCHEDULE OF CHANGE IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**(CONTINUED)**  
**YEAR ENDED JUNE 30, 2018**

Last 10 Fiscal Years*	Safety Plans			
	Reporting Year			
	(Measurement Year)			
	2018 2017	2017 2016	2016 2015	2015 2014
<b>TOTAL PENSION LIABILITY</b>				
Service Cost	\$ 2,251,368	\$ 2,007,465	\$ 1,988,051	\$ 2,113,941
Interest on Total Pension Liability	6,507,634	6,270,398	5,942,232	5,666,380
Changes of Assumptions	5,792,363	-	(1,563,422)	-
Differences Between Expected and Actual Experience	(738,742)	560,154	(155,283)	-
Benefit Payments, including Refunds of Employee Contributions	(4,495,684)	(4,311,418)	(4,109,383)	(3,639,000)
<b>NET CHANGE IN TOTAL PENSION LIABILITY</b>	<u>9,316,939</u>	<u>4,526,599</u>	<u>2,102,195</u>	<u>4,141,321</u>
Total Pension Liability - Beginning	87,084,400	82,557,801	80,455,606	76,314,285
<b>TOTAL PENSION LIABILITY - ENDING</b>	<u><u>\$ 96,401,339</u></u>	<u><u>\$ 87,084,400</u></u>	<u><u>\$ 82,557,801</u></u>	<u><u>\$ 80,455,606</u></u>
<b>PLAN FIDUCIARY NET POSITION</b>				
Plan to Plan Resource Movement	\$ -	\$ (76,798)	\$ -	\$ -
Contributions - Employer	2,129,622	1,786,359	1,588,960	1,482,762
Contributions - Employee	862,369	808,781	789,111	781,834
Net Investment Income	6,923,100	314,323	1,432,813	9,708,850
Benefit Payments, including Refunds of Employee Contributions	(4,495,684)	(4,311,418)	(4,109,383)	(3,639,000)
Administrative Expense	(92,395)	(39,064)	(72,138)	-
<b>NET CHANGE IN PLAN FIDUCIARY NET POSITION</b>	<u>5,327,012</u>	<u>(1,517,817)</u>	<u>(370,637)</u>	<u>8,334,446</u>
Plan Fiduciary Net Position - Beginning	62,580,101	64,097,918	64,468,555	56,134,109
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<u><u>\$ 67,907,113</u></u>	<u><u>\$ 62,580,101</u></u>	<u><u>\$ 64,097,918</u></u>	<u><u>\$ 64,468,555</u></u>
Net Pension Liability - Ending	<u><u>\$ 28,494,226</u></u>	<u><u>\$ 24,504,299</u></u>	<u><u>\$ 18,459,883</u></u>	<u><u>\$ 15,987,051</u></u>
Plan Fiduciary Net Percentage as a Percentage of the Total Pension Liability	70.44 %	71.86 %	77.64 %	80.13 %
Covered Payroll	\$ 9,152,708	\$ 8,615,731	\$ 8,539,737	\$ 8,511,542
Net Pension Liability as a Percentage of Covered Payroll	311.32 %	284.41 %	216.16 %	187.83 %

\*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

See accompanying Notes to Required Supplementary Information.

**COUNTY OF LAKE  
SCHEDULE OF CONTRIBUTIONS  
YEAR ENDED JUNE 30, 2018**

Last 10 Fiscal Years*	Miscellaneous Plans			
	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 5,186,389	\$ 4,867,987	\$ 4,671,021	\$ 4,175,867
Determined Contribution	5,186,389	4,867,987	4,671,021	5,428,168
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,252,301)</u>
County's Covered Payroll	\$ 34,105,434	\$ 33,273,594	\$ 33,544,186	\$ 32,882,926
Contributions as a Percentage of Covered Payroll	15.21%	14.63%	13.92%	16.51%

Last 10 Fiscal Years*	Safety Plans			
	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 2,527,437	\$ 2,129,622	\$ 1,786,359	\$ 1,588,960
Determined Contribution	2,527,437	2,129,622	1,786,359	1,588,960
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 9,381,526	\$ 9,152,708	\$ 8,615,731	\$ 8,539,737
Contributions as a Percentage of Covered Payroll	26.94%	23.27%	20.73%	18.61%

\*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

*See accompanying Notes to Required Supplementary Information.*

**COUNTY OF LAKE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
YEAR ENDED JUNE 30, 2018**

Last 10 Fiscal Years\*

	Reporting Year (Measurement Year)
	2018
	2017
<b>TOTAL OPEB LIABILITY</b>	
Service Cost	\$ 712,709
Interest on Total OPEB Liability	335,925
Benefit Payments, including Refunds of Employee Contributions	(547,351)
<b>NET CHANGE IN TOTAL OPEB LIABILITY</b>	501,283
Total OPEB Liability - Beginning	11,003,983
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 11,505,266</b>
<b>PLAN FIDUCIARY NET POSITION</b>	
Contributions - Employer	\$ 547,351
Benefit Payments, including Refunds of Employee Contributions	(547,351)
<b>NET CHANGE IN PLAN FIDUCIARY NET POSITION</b>	-
Plan Fiduciary Net Position - Beginning	-
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ -</b>
Net OPEB Liability - Ending	<b>\$ 11,505,266</b>
Covered Employee Payroll	\$ 42,012,763
Net OPEB Liability as a Percentage of Covered Employee Payroll	27.39 %

\*Fiscal year 2018 was the 1st year of implementation. Additional years will be presented as they become available.

See accompanying Notes to Required Supplementary Information.



**COUNTY OF LAKE  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COUNTY OPEB CONTRIBUTIONS  
YEAR ENDED JUNE 30, 2018**

Last 10 Fiscal Years*	2018
Contractually Required Contribution	\$ 322,510
Contributions in Relation to the Contractually Required Contribution	322,510
Contribution Deficiency (Excess)	<u>\$ -</u>
County's Covered Employee Payroll	\$ 43,063,082
Contributions as a Percentage of Covered Employee Payroll	0.75 %

\*Fiscal year 2018 was the 1st year of implementation. Additional years will be presented as they become available.

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>RESOURCES (INFLOWS)</b>				
Taxes	\$ 27,085,035	\$ 27,085,038	\$ 28,095,301	\$ 1,010,263
Licenses and Permits	217,700	494,700	899,465	404,765
Fines, Forfeitures, and Penalties	992,700	962,700	1,000,844	38,144
Use of Money and Property	716,463	781,463	1,327,552	546,089
Intergovernmental	13,032,302	13,099,333	13,748,535	649,202
Charges for Services	5,825,105	5,564,996	4,373,209	(1,191,787)
Other Revenues	1,669,984	1,739,957	963,241	(776,716)
Amounts Available for Appropriation	49,539,289	49,728,187	50,408,147	679,960
<b>EXPENDITURES</b>				
Current:				
General Government:				
County Counsel	764,504	816,158	630,810	185,348
Registrar of Voters	703,440	710,940	639,615	71,325
Non Departmental	409,549	419,549	38,705	380,844
Auditor-Controller	999,549	990,838	830,575	160,263
Treasurer-Tax Collector	1,220,929	1,220,929	1,067,357	153,572
Assessor	1,228,150	1,216,150	931,339	284,811
Central Services	99,623	104,623	67,186	37,437
Public Works Admin	673,709	673,709	630,716	42,993
Board of Supervisors	455,923	455,923	429,588	26,335
Administrative Office	758,829	883,269	717,971	165,298
Clerk to Bd of Supervisor	100,533	100,533	93,367	7,166
Information Technology	1,222,204	1,190,204	1,082,700	107,504
Engineering & Inspection	1,234,846	1,234,846	938,160	296,686
Human Resources	646,543	780,499	584,844	195,655
Marketing & Econ Dvlpmnt	468,700	468,700	380,833	87,867
Buildings & Grounds	1,473,743	1,640,329	1,355,577	284,752
Special Projects	1,592,314	1,655,102	345,636	1,309,466
Appropriation for contingencies	1,000,000	1,000,000	-	1,000,000
Total General Government	15,053,088	15,562,301	10,764,979	4,797,322

See accompanying Notes to Required Supplementary Information.

**COUNTY OF LAKE**  
**BUDGETARY COMPARISON SCHEDULE (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Current (Continued):				
Public Protection:				
Sheriff-Jail Facilities	\$ 8,666,900	\$ 8,523,517	\$ 7,913,115	\$ 610,402
Probation	5,151,011	5,159,143	4,065,955	1,093,188
Jail-Medical Services	1,956,936	1,956,936	1,874,824	82,112
Trial Courts	292,658	293,658	279,762	13,896
Grand Jurors	55,921	71,571	65,672	5,899
District Attorney	3,301,817	3,303,837	3,163,738	140,099
Public Defender	1,529,633	1,529,633	1,508,679	20,954
DA/Victim-Witness Program	383,173	367,173	291,853	75,320
Planning	2,129,429	1,842,281	938,667	903,614
Animal Care & Control	992,346	995,346	949,774	45,572
Emergency Services	527,317	667,211	321,389	345,822
Recorder	239,998	239,998	201,698	38,300
Agricultural Commissioner	597,220	620,866	573,091	47,775
Sheriff-Coroner	9,158,105	9,259,097	8,439,549	819,548
Sh-Marijuana Suppression	545,294	607,794	509,673	98,121
Sheriff-Court Security	222,640	210,140	177,162	32,978
Sheriff-Marine Patrol	515,103	515,103	419,073	96,030
Sheriff-Central Dispatch	1,200,066	1,308,066	1,185,741	122,325
Total Public Protection	37,465,567	37,471,370	32,879,415	4,591,955
Public Assistance:				
Senior Citizens Program	105,517	105,517	105,517	-
Veterans Services	260,803	260,803	246,767	14,036
Total Public Assistance	366,320	366,320	352,284	14,036
Education:				
UC Cooperative Extension	203,419	203,419	196,855	6,564
Total Education	203,419	203,419	196,855	6,564
Recreation and Culture:				
Museum	183,184	207,934	187,777	20,157
Parks and Recreation	2,466,155	2,516,715	1,757,481	759,234
Total Recreation and Culture	2,649,339	2,724,649	1,945,258	779,391

See accompanying Notes to Required Supplementary Information.

**COUNTY OF LAKE**  
**BUDGETARY COMPARISON SCHEDULE (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Capital Outlay:				
Assessor	\$ -	\$ 12,000	\$ -	\$ 12,000
Information Technology	99,500	131,500	129,165	2,335
District Attorney	175,000	200,000	-	200,000
Buildings & Grounds	39,000	39,000	34,323	4,677
Sh-Marijuana Suppression	-	10,000	9,782	218
Sheriff-Jail Facilities	280,000	280,000	-	280,000
Total Capital Outlay	593,500	672,500	173,270	499,230
 Total Expenditures	 56,331,233	 57,000,559	 46,312,061	 10,688,498
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	 (6,791,944)	 (7,272,372)	 4,096,086	 11,368,458
 <b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	4,215,000	4,969,213	1,172,566	(3,796,647)
Transfers out	(8,252,046)	(9,105,938)	(719,291)	8,386,647
Proceeds from Sale of Capital Assets	-	955,357	973,095	17,738
Total Other Financing Sources (Uses)	(4,037,046)	(3,181,368)	1,426,370	4,607,738
 <b>NET CHANGE IN FUND BALANCE</b>	 (10,828,990)	 (10,453,740)	 5,522,456	 15,976,196
 Fund Balances - Beginning of Year, Restated	 29,829,522	 29,829,522	 29,829,522	 -
 <b>FUND BALANCES - END OF YEAR</b>	 <u>\$ 19,000,532</u>	 <u>\$ 19,375,782</u>	 <u>\$ 35,351,978</u>	 <u>\$ 15,976,196</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
HOUSING PROGRAMS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ 4,344	\$ 4,344	\$ 7,725	\$ 3,381
Intergovernmental	247,678	247,678	215,905	(31,773)
Charges for Services	27	27	-	(27)
Other Revenues	109,747	119,747	234,904	115,157
Total Revenues	361,796	371,796	458,534	86,738
<b>EXPENDITURES</b>				
Current:				
Public Assistance	1,189,773	1,219,108	602,891	616,217
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(827,977)	(847,312)	(144,357)	702,955
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	136,155	126,655	110,000	(16,655)
<b>NET CHANGE IN FUND BALANCE</b>	(691,822)	(720,657)	(34,357)	686,300
Fund Balances - Beginning of Year, Restated	5,699,068	5,699,068	5,699,068	-
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 5,007,246</u>	<u>\$ 4,978,411</u>	<u>\$ 5,664,711</u>	<u>\$ 686,300</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
SOCIAL SERVICES  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 40,717,332	\$ 41,299,586	\$ 41,624,113	\$ 324,527
Charges for Services	1,232,206	1,232,206	779,967	(452,239)
Other Revenues	59,550	59,550	11,075	(48,475)
Total Revenues	42,009,088	42,591,342	42,415,155	(176,187)
<b>EXPENDITURES</b>				
Current:				
Public Assistance	46,537,193	47,288,782	40,873,543	6,415,239
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,528,105)	(4,697,440)	1,541,612	6,239,052
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	25,000	25,000	23,991	(1,009)
Transfers out	(317,868)	(308,368)	(110,000)	198,368
Sale of Capital Assets	-	-	12,289	12,289
Total Other Financing Sources (Uses)	(292,868)	(283,368)	(73,720)	209,648
<b>NET CHANGE IN FUND BALANCE</b>	(4,820,973)	(4,980,808)	1,467,892	6,448,700
Fund Balances - Beginning of Year	4,821,773	4,821,773	4,821,773	-
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 800</u>	<u>\$ (159,035)</u>	<u>\$ 6,289,665</u>	<u>\$ 6,448,700</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
HEALTH PROGRAMS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 721,894	\$ 721,894	\$ 664,980	\$ (56,914)
Fines and Forfeitures	3,000	3,000	2,197	(803)
Use of Money and Property	2,401	2,401	5,155	2,754
Intergovernmental Revenues	4,580,263	4,680,263	3,810,606	(869,657)
Charges for Services	769,265	769,265	711,234	(58,031)
Other Revenues	11,968	18,183	19,846	1,663
Total Revenues	6,088,791	6,195,006	5,214,018	(980,988)
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	6,475,479	6,759,493	5,176,742	1,582,751
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(386,688)	(564,487)	37,276	601,763
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	118,222	118,222	118,222	-
<b>NET CHANGE IN FUND BALANCE</b>	(268,466)	(446,265)	155,498	601,763
Fund Balances - Beginning of Year	2,799,028	2,799,028	2,799,028	-
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 2,530,562</u>	<u>\$ 2,352,763</u>	<u>\$ 2,954,526</u>	<u>\$ 601,763</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
DISASTER RESPONSE AND RECOVERY  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ 1,000	\$ 1,000	\$ 113,080	\$ 112,080
Intergovernmental Revenues	2,250,000	1,425,000	126,467	(1,298,533)
Other Revenues	-	-	449,696	449,696
Total Revenues	2,251,000	1,426,000	689,243	(736,757)
<b>EXPENDITURES</b>				
Current:				
Public Protection	2,400,000	1,575,000	845,632	729,368
<b>NET CHANGE IN FUND BALANCE</b>	(149,000)	(149,000)	(156,389)	(7,389)
Fund Balances - Beginning of Year	1,175,676	1,175,676	1,175,676	-
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,026,676</u>	<u>\$ 1,026,676</u>	<u>\$ 1,019,287</u>	<u>\$ (7,389)</u>

See accompanying Notes to Required Supplementary Information.



**COUNTY OF LAKE  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2018**

**NOTE A BUDGETARY BASIS OF ACCOUNTING**

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

The County follows these procedures annually in establishing the budgetary data reflected in the financial statements.

- (1) The County Administrative Officer submits to the Board of Supervisors a recommended budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. The recommended budget is approved by the Board prior to July 1st.
- (2) The Board of Supervisors conducts an advertised public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to October 2, the budget is adopted through the passage of a resolution.
- (4) From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as proposed expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by motion during the fiscal year. The County Administrative Officer may authorize transfers from one object to another within the same department.

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County's General and Special Revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The Supplementary Law Enforcement Services nonmajor special revenue fund did not have a legally adopted budget.

The County uses an encumbrance system as an extension of normal budgetary accounting for the general and other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restrictions, commitments, or assignments of fund balance, depending on the funding sources, since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are rebudgeted in the ensuing year's budget.

Budgetary schedules were not prepared for the Supplemental Law Enforcement fund, and the debt service funds.

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## **SUPPLEMENTARY INFORMATION**

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**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

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**NONMAJOR GOVERNMENT FUNDS**

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**COUNTY OF LAKE  
NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for revenues that are restricted by law or administrative action and expenditures for specified purposes. Nonmajor special revenue funds used by the County are listed below:

- **ROAD**  
to provide for the maintenance, repair, and reconstruction of roads and bridges within the County road system.
- **PARK DEVELOPMENT QUIMBY**  
to provide for the maintenance and development of parks.
- **COMMUNITY DEVELOPMENT**  
to account for the services to provide building and grading inspection services in the unincorporated area of Lake County.
- **GEOTHERMAL RESOURCE ROYALTIES**  
to account for the geothermal impact mitigation fees and provide funding for various projects.
- **FISH AND GAME**  
to account for the services provided for the protection and propagation of fish and game.
- **SPECIAL AVIATION**  
to account for the operation and maintenance of the County Airport at Lampson Field.
- **SPECIAL DISTRICTS ADMINISTRATION**  
to account for the administrative, labor, and overhead costs for the management of four wastewater systems, ten potable water systems, and nine lighting districts.
- **SHERIFF PROGRAMS**  
to account for the operation of the Sheriff department.
- **DISTRICT ATTORNEY PROGRAMS**  
to account for the activities of the District Attorney department.
- **ANIMAL MEDICAL CLINIC**  
to account for operation and maintenance of the spay/neuter program.
- **SUPPLEMENTAL LAW ENFORCEMENT SERVICES**  
to account for law enforcement operations.
- **MIDDLETOWN SEWER**  
to account for activity of the Middletown Sewer District.
- **IHSS PUBLIC AUTHORITY**  
to account for the County's activities for AB 1682 mandates.
- **RECORDER PROGRAMS**  
to account for recording activities.

**COUNTY OF LAKE  
NONMAJOR GOVERNMENTAL FUNDS**

- **AIR QUALITY DISTRICT**  
to account for the operations of the air quality management district.
- **CDBG HOUSING PROGRAMS**  
to account for the CDBG housing program activities.
- **CHILD SUPPORT SERVICES**  
to account for the administrative oversight of the child support enforcement program.
- **MUSEUM**  
to account for operation and maintenance of the County museum.
- **LIBRARY**  
to account for library services in the unincorporated areas of the County.
- **LAKEBED MANAGEMENT**  
to account for the activities to support the purposes of the State trust on Clearlake.
- **KELSEYVILLE WATERWORKS DISTRICT**  
to account for the operation and maintenance of the Kelseyville area wastewater and potable water system.
- **BEHAVIORAL HEALTH PROGRAMS**  
to account for mental health services of the County.
- **LAKE COUNTY HOUSING COMMISSION**  
to account for the County Housing Commission activities.
- **WATERSHED PROTECTION DISTRICTS**  
to account for the watershed protection activities of the County.
- **COUNTY SERVICE AREAS**  
to account for the street lighting, public protection, health and sanitation, recreation and culture, public ways, and water utilities services provided by county service area districts in the unincorporated areas of the County.
- **LIGHTING DISTRICTS**  
to account for the street lighting activities of the various lighting districts of the County.
- **SHERIFF MOTOR POOL**  
to account for Sheriff's Department motor pool activity.
- **SANITATION DISTRICTS**  
to account for the engineering, administration, and operational services of the various sanitation districts of the County.
- **ANDERSON SPRINGS SEWER**  
to account for the engineering, administration, and operational services of the Anderson Springs sewer district.
- **CANNABIS FEES AND TAXATIONS**  
to account for cannabis regulation fees and taxation

**COUNTY OF LAKE  
NONMAJOR GOVERNMENTAL FUNDS**

**DEBT SERVICE FUNDS**

Debt Service Funds are used to account for accumulation of resources for, and payment of, principal and interest on the County's general long-term debt. Nonmajor debt service funds of the County are listed below:

- **SANITATION IMPROVEMENT DISTRICTS**  
to account for the accumulation of resources and payment of principal and interest for debt of sanitation improvement districts.
- **LACOSAN ASSESSMENT DISTRICTS**  
to account for the accumulation of resources and payment of principal and interest for debt of LACOSAN assessment districts.
- **COUNTY SERVICE AREA IMPROVEMENT DISTRICTS**  
to account for the accumulation of resources and payment of principal and interest for debt of County service area improvement districts.
- **USDA RUS LOANS**  
to account for the accumulation of resources and payment of principal and interest for debt of the Kelseyville and Finley districts.
- **GEYSER'S PIPELINE**  
to account for the accumulation of resources and payment to principal and interest for the Geysers Pipeline project.

**CAPITAL PROJECTS**

Capital Projects Funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed by the proprietary fund types. Nonmajor capital projects funds are listed below:

- **CAPITAL PROJECTS – PUBLIC SAFETY FACILITIES**  
to account for CDBG projects.
- **GEYSER'S PIPELINE**  
to account for the Geyser pipeline construction.
- **ROAD IMPROVEMENT PROJECTS**  
to account for road project costs.
- **SPECIAL PROJECTS**  
to account for special projects.
- **CDBG**  
to account for CDBG projects.
- **LAMPSON AIRPORT CAPITAL PROJECTS**  
to account for capital projects at Lampson Airport.

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**COUNTY OF LAKE  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds			
	Road	Park Development Quimby	Community Development	Geothermal Resource Royalties
<b>ASSETS</b>				
Cash and Investments	\$ 7,064,853	\$ 154,890	\$ 868,656	\$ 627,810
Imprest Cash	-	-	75	-
Cash with Fiscal Agent	-	-	-	-
Accounts Receivable	520,251	-	-	32,544
Due from Other Governments	-	-	-	-
Interest Receivable	39,220	-	-	5,453
Advances to Other Funds	-	-	-	12,933
Inventory	106,543	-	-	-
Loans Receivable	-	-	50,691	-
	<u>-</u>	<u>-</u>	<u>50,691</u>	<u>-</u>
Total Assets	<u>\$ 7,730,867</u>	<u>\$ 154,890</u>	<u>\$ 919,422</u>	<u>\$ 678,740</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 35,758	\$ 27,418	\$ 43,292	\$ 121,839
Salaries and Benefits Payable	212,305	-	69,692	-
Deposits Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Advance from Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>248,063</u>	<u>27,418</u>	<u>112,984</u>	<u>121,839</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	106,543	-	-	-
Restricted	7,376,261	127,472	806,438	556,901
	<u>7,482,804</u>	<u>127,472</u>	<u>806,438</u>	<u>556,901</u>
Total Fund Balances	<u>7,482,804</u>	<u>127,472</u>	<u>806,438</u>	<u>556,901</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,730,867</u>	<u>\$ 154,890</u>	<u>\$ 919,422</u>	<u>\$ 678,740</u>

**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds			
	Fish and Game	Special Aviation	Special Districts Administration	Sheriff Programs
<b>ASSETS</b>				
Cash and Investments	\$ 68,452	\$ 28,972	\$ 762,587	\$ 3,051,551
Imprest Cash	-	-	400	-
Cash with Fiscal Agent	-	-	-	-
Accounts Receivable	-	-	-	21,410
Due from Other Governments	-	-	-	-
Interest Receivable	-	-	-	6,899
Advances to Other Funds	-	-	-	-
Inventory	-	-	-	-
Loans Receivable	-	-	-	-
Total Assets	<u>\$ 68,452</u>	<u>\$ 28,972</u>	<u>\$ 762,987</u>	<u>\$ 3,079,860</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 27,364	\$ 2,977
Salaries and Benefits Payable	-	1,173	364,783	-
Deposits Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Advance from Other Funds	10,000	-	-	-
Total Liabilities	<u>10,000</u>	<u>1,173</u>	<u>392,147</u>	<u>2,977</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	58,452	27,799	370,840	3,076,883
Total Fund Balances	<u>58,452</u>	<u>27,799</u>	<u>370,840</u>	<u>3,076,883</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 68,452</u>	<u>\$ 28,972</u>	<u>\$ 762,987</u>	<u>\$ 3,079,860</u>

**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds			
	District Attorney Programs	Animal Medical Clinic	Supplemental Law Enforcement Services	Middletown Sewer
<b>ASSETS</b>				
Cash and Investments	\$ 195,878	\$ 5,479	\$ 235	\$ 846,231
Imprest Cash	-	-	-	-
Cash with Fiscal Agent	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Interest Receivable	-	-	-	-
Advances to Other Funds	-	-	-	-
Inventory	-	-	-	-
Loans Receivable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 195,878</u>	<u>\$ 5,479</u>	<u>\$ 235</u>	<u>\$ 846,231</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ 863	\$ -	\$ 798
Salaries and Benefits Payable	-	-	-	-
Deposits Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Advance from Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	-	863	-	798
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	195,878	4,616	235	845,433
	<u>195,878</u>	<u>4,616</u>	<u>235</u>	<u>845,433</u>
Total Fund Balances	<u>195,878</u>	<u>4,616</u>	<u>235</u>	<u>845,433</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 195,878</u>	<u>\$ 5,479</u>	<u>\$ 235</u>	<u>\$ 846,231</u>

**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds			
	IHSS Public Authority	Recorder Programs	Air Quality District	CDBG Programs
<b>ASSETS</b>				
Cash and Investments	\$ 234	\$ 1,761,458	\$ 627,205	\$ 915
Imprest Cash	-	-	-	-
Cash with Fiscal Agent	-	-	-	-
Accounts Receivable	-	182	-	-
Due from Other Governments	47,286	-	-	-
Interest Receivable	-	-	-	-
Advances to Other Funds	-	-	-	-
Inventory	-	-	-	-
Loans Receivable	-	-	-	403,294
	<u>-</u>	<u>-</u>	<u>-</u>	<u>403,294</u>
Total Assets	<u>\$ 47,520</u>	<u>\$ 1,761,640</u>	<u>\$ 627,205</u>	<u>\$ 404,209</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 5,622	\$ -
Salaries and Benefits Payable	-	895	40,038	-
Deposits Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Advance from Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>895</u>	<u>45,660</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	47,286	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	234	1,760,745	581,545	404,209
Total Fund Balances	<u>234</u>	<u>1,760,745</u>	<u>581,545</u>	<u>404,209</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 47,520</u>	<u>\$ 1,761,640</u>	<u>\$ 627,205</u>	<u>\$ 404,209</u>



**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds			
	Child Support Services	Museum	Library	Lakebed Management
<b>ASSETS</b>				
Cash and Investments	\$ 274,406	\$ 17,663	\$ 344,169	\$ 235,420
Imprest Cash	50	-	80	-
Cash with Fiscal Agent	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Interest Receivable	-	-	-	-
Advances to Other Funds	-	-	-	-
Inventory	-	-	-	-
Loans Receivable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 274,456</u>	<u>\$ 17,663</u>	<u>\$ 344,249</u>	<u>\$ 235,420</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 2,603	\$ -	\$ 18,321	\$ 1,394
Salaries and Benefits Payable	197,564	-	62,159	-
Deposits Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Advance from Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	200,167	-	80,480	1,394
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	74,289	17,663	263,769	234,026
	<u>74,289</u>	<u>17,663</u>	<u>263,769</u>	<u>234,026</u>
Total Fund Balances				
	<u>74,289</u>	<u>17,663</u>	<u>263,769</u>	<u>234,026</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 274,456</u>	<u>\$ 17,663</u>	<u>\$ 344,249</u>	<u>\$ 235,420</u>

**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds			
	Kelseyville Waterworks District	Behavioral Health Programs	Lake County Housing Commission	Watershed Protection Districts
<b>ASSETS</b>				
Cash and Investments	\$ 776,483	\$ 9,642,649	\$ 592,902	\$ 2,187,420
Imprest Cash	-	830	-	25
Cash with Fiscal Agent	-	-	-	-
Accounts Receivable	-	-	9,316	89,345
Due from Other Governments	-	9,566	-	-
Interest Receivable	-	43,763	-	5,727
Advances to Other Funds	-	-	-	-
Inventory	-	-	-	-
Loans Receivable	-	-	687,956	-
	<u>-</u>	<u>-</u>	<u>687,956</u>	<u>-</u>
Total Assets	<u>\$ 776,483</u>	<u>\$ 9,696,808</u>	<u>\$ 1,290,174</u>	<u>\$ 2,282,517</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 55,609	\$ 350,439	\$ -	\$ 18,688
Salaries and Benefits Payable	-	574,324	-	96,324
Deposits Payable	-	-	61,185	-
Unearned Revenue	-	-	-	-
Advance from Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>55,609</u>	<u>924,763</u>	<u>61,185</u>	<u>115,012</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	9,566	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	720,874	8,762,479	1,228,989	2,167,505
	<u>720,874</u>	<u>8,762,479</u>	<u>1,228,989</u>	<u>2,167,505</u>
Total Fund Balances	<u>720,874</u>	<u>8,762,479</u>	<u>1,228,989</u>	<u>2,167,505</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 776,483</u>	<u>\$ 9,696,808</u>	<u>\$ 1,290,174</u>	<u>\$ 2,282,517</u>

**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds			
	County Service Areas	Lighting Districts	Sheriff Motor Pool	Sanitation Districts
<b>ASSETS</b>				
Cash and Investments	\$ 5,411,095	\$ 470,573	\$ 1,761,245	\$ 5,590,602
Imprest Cash	-	-	-	-
Cash with Fiscal Agent	-	-	-	320,704
Accounts Receivable	-	-	-	7,647
Due from Other Governments	-	-	-	-
Interest Receivable	10,672	-	-	25,100
Advances to Other Funds	-	-	-	-
Inventory	-	-	-	-
Loans Receivable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 5,421,767</u>	<u>\$ 470,573</u>	<u>\$ 1,761,245</u>	<u>\$ 5,944,053</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 77,791	\$ 176	\$ -	\$ 161,844
Salaries and Benefits Payable	-	-	-	-
Deposits Payable	-	-	-	47,404
Unearned Revenue	-	-	-	-
Advance from Other Funds	346,728	-	-	-
Total Liabilities	<u>424,519</u>	<u>176</u>	<u>-</u>	<u>209,248</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	4,997,248	470,397	1,761,245	5,734,805
Total Fund Balances	<u>4,997,248</u>	<u>470,397</u>	<u>1,761,245</u>	<u>5,734,805</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,421,767</u>	<u>\$ 470,573</u>	<u>\$ 1,761,245</u>	<u>\$ 5,944,053</u>

**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds		Debt Service Funds	
	Anderson Springs Sewer	Cannabis Fees and Taxation	Sanitation Improvement Districts	LACOSAN Assessment Districts
<b>ASSETS</b>				
Cash and Investments	\$ 48,061	\$ 578,492	\$ 67,624	\$ 989,410
Imprest Cash	-	-	-	-
Cash with Fiscal Agent	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Interest Receivable	-	-	-	-
Advances to Other Funds	-	-	-	-
Inventory	-	-	-	-
Loans Receivable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 48,061</u>	<u>\$ 578,492</u>	<u>\$ 67,624</u>	<u>\$ 989,410</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Salaries and Benefits Payable	-	-	-	-
Deposits Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Advance from Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	48,061	578,492	67,624	989,410
	<u>48,061</u>	<u>578,492</u>	<u>67,624</u>	<u>989,410</u>
Total Fund Balances	<u>48,061</u>	<u>578,492</u>	<u>67,624</u>	<u>989,410</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 48,061</u>	<u>\$ 578,492</u>	<u>\$ 67,624</u>	<u>\$ 989,410</u>

**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Debt Service Funds			Capital Project Funds	
	County Service Area Improvement Districts	USDA RUS Loans	Geyser's Pipeline	Public Safety Facilities	Geyser's Pipeline
<b>ASSETS</b>					
Cash and Investments	\$ 1,144,735	\$ 1,587,591	\$ 1,443,753	\$ 1,169,594	\$ 512,537
Imprest Cash	-	-	-	-	-
Cash with Fiscal Agent	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-
Inventory	-	-	-	-	-
Loans Receivable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,144,735</u>	<u>\$ 1,587,591</u>	<u>\$ 1,443,753</u>	<u>\$ 1,169,594</u>	<u>\$ 512,537</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ 5,800	\$ -
Salaries and Benefits Payable	-	-	-	-	-
Deposits Payable	-	-	-	-	-
Unearned Revenue	-	-	-	-	512,537
Advance from Other Funds	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,800</u>	<u>512,537</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue	-	-	-	-	-
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	1,144,735	1,587,591	1,443,753	1,163,794	-
Total Fund Balances	<u>1,144,735</u>	<u>1,587,591</u>	<u>1,443,753</u>	<u>1,163,794</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,144,735</u>	<u>\$ 1,587,591</u>	<u>\$ 1,443,753</u>	<u>\$ 1,169,594</u>	<u>\$ 512,537</u>

**COUNTY OF LAKE  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Capital Project Funds				
	Road Improvement Projects	Special Projects	CDBG	Lampson Airport Capital Projects	Totals
<b>ASSETS</b>					
Cash and Investments	\$ 395,021	\$ 937,684	\$ 1,229	\$ 47,079	\$ 52,292,843
Imprest Cash	-	-	-	-	1,460
Cash with Fiscal Agent	-	-	-	-	320,704
Accounts Receivable	-	919,894	-	-	1,600,589
Due from Other Governments	-	-	-	-	56,852
Interest Receivable	-	-	-	-	136,834
Advances to Other Funds	-	-	-	-	12,933
Inventory	-	-	-	-	106,543
Loans Receivable	-	-	-	-	1,141,941
Total Assets	<u>\$ 395,021</u>	<u>\$ 1,857,578</u>	<u>\$ 1,229</u>	<u>\$ 47,079</u>	<u>\$ 55,670,699</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ 1,481,109	\$ -	\$ -	\$ 2,439,705
Salaries and Benefits Payable	-	-	-	-	1,619,257
Deposits Payable	-	-	-	-	108,589
Unearned Revenue	393,943	-	-	-	906,480
Advance from Other Funds	-	-	-	-	356,728
Total Liabilities	<u>393,943</u>	<u>1,481,109</u>	<u>-</u>	<u>-</u>	<u>5,430,759</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue	-	-	-	-	56,852
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	106,543
Restricted	1,078	376,469	1,229	47,079	50,076,545
Total Fund Balances	<u>1,078</u>	<u>376,469</u>	<u>1,229</u>	<u>47,079</u>	<u>50,183,088</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 395,021</u>	<u>\$ 1,857,578</u>	<u>\$ 1,229</u>	<u>\$ 47,079</u>	<u>\$ 55,670,699</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	Road	Park Development Quimby	Community Development	Geothermal Resource Royalties
<b>REVENUES</b>				
Taxes	\$ 776,207	\$ -	\$ -	\$ -
Licenses, Permits and Franchise Fees	223,686	-	607,434	-
Fines and Forfeitures	86	-	28,684	-
Use of Money and Property	99,784	1,430	11,137	14,278
Intergovernmental	8,537,431	-	-	1,226,940
Charges for Services	211,306	30,497	344,618	-
Other Revenues	184	-	573	3,200
Total Revenues	9,848,684	31,927	992,446	1,244,418
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	472,668
Public Protection	-	-	1,366,141	-
Public Ways and Facilities	4,676,684	-	-	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Education	-	-	-	-
Recreation and Culture	-	28,513	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	3,154,054	-	14,820	-
Total Expenditures	7,830,738	28,513	1,380,961	472,668
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,017,946	3,414	(388,515)	771,750
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	17,053	-	-	-
Transfers out	-	-	-	(982,566)
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	17,053	-	-	(982,566)
<b>NET CHANGE IN FUND BALANCE</b>	2,034,999	3,414	(388,515)	(210,816)
Fund Balances - Beginning of Year, Restated	5,447,805	124,058	1,194,953	767,717
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 7,482,804</u>	<u>\$ 127,472</u>	<u>\$ 806,438</u>	<u>\$ 556,901</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	Fish and Game	Special Aviation	Special Districts Administration	Sheriff Programs
<b>REVENUES</b>				
Taxes	\$ 66,703	\$ 12	\$ -	\$ -
Licenses, Permits and Franchise Fees	-	-	-	-
Fines and Forfeitures	4,081	-	-	169,727
Use of Money and Property	752	41,257	6,591	37,105
Intergovernmental	755	10,000	-	772,484
Charges for Services	-	-	4,186,209	90,338
Other Revenues	-	-	-	1,700
Total Revenues	72,291	51,269	4,192,800	1,071,354
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Protection	64,914	-	-	674,807
Public Ways and Facilities	-	57,613	4,008,995	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Education	-	-	-	-
Recreation and Culture	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	-	-	28,001	137,770
Total Expenditures	64,914	57,613	4,036,996	812,577
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	7,377	(6,344)	155,804	258,777
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,500	38,506	-	-
Transfers out	-	(26,400)	-	-
Sale of Capital Assets	-	-	159	-
Total Other Financing Sources (Uses)	2,500	12,106	159	-
<b>NET CHANGE IN FUND BALANCE</b>	9,877	5,762	155,963	258,777
Fund Balances - Beginning of Year, Restated	48,575	22,037	214,877	2,818,106
<b>FUND BALANCES - END OF YEAR</b>	\$ 58,452	\$ 27,799	\$ 370,840	\$ 3,076,883



**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	District Attorney Programs	Animal Medical Clinic	Supplemental Law Enforcement Services	Middletown Sewer
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchise Fees	-	9,850	-	-
Fines and Forfeitures	27,539	-	-	1,709
Use of Money and Property	2,195	-	240	9,590
Intergovernmental	-	-	512,239	117,184
Charges for Services	6,693	62,415	-	178,156
Other Revenues	-	13,004	-	86
Total Revenues	36,427	85,269	512,479	306,725
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Protection	44,373	170,418	512,258	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	-	-	303,206
Public Assistance	-	-	-	-
Education	-	-	-	-
Recreation and Culture	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	44,373	170,418	512,258	303,206
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(7,946)	(85,149)	221	3,519
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	75,000	-	-
Transfers out	-	-	-	-
Sale of Capital Assets	-	-	-	20,900
Total Other Financing Sources (Uses)	-	75,000	-	20,900
<b>NET CHANGE IN FUND BALANCE</b>	(7,946)	(10,149)	221	24,419
Fund Balances - Beginning of Year, Restated	203,824	14,765	14	821,014
<b>FUND BALANCES - END OF YEAR</b>	\$ 195,878	\$ 4,616	\$ 235	\$ 845,433

**COUNTY OF LAKE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	IHSS Public Authority	Recorder Programs	Air Quality District	CDBG Programs
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchise Fees	-	-	560,962	-
Fines and Forfeitures	-	-	30,365	-
Use of Money and Property	-	18,614	7,467	2,041
Intergovernmental	242,706	-	325,339	-
Charges for Services	23,991	143,864	6,036	-
Other Revenues	-	117	1,234	67,391
Total Revenues	266,697	162,595	931,403	69,432
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Protection	-	131,711	-	-
Public Ways and Facilities	-	-	926,417	-
Health and Sanitation	-	-	-	-
Public Assistance	242,706	-	-	59,234
Education	-	-	-	-
Recreation and Culture	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	-	-	84,173	-
Total Expenditures	242,706	131,711	1,010,590	59,234
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	23,991	30,884	(79,187)	10,198
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(23,991)	-	-	(68,889)
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	(23,991)	-	-	(68,889)
<b>NET CHANGE IN FUND BALANCE</b>	-	30,884	(79,187)	(58,691)
Fund Balances - Beginning of Year, Restated	234	1,729,861	660,732	462,900
<b>FUND BALANCES - END OF YEAR</b>	\$ 234	\$ 1,760,745	\$ 581,545	\$ 404,209

**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	Child Support Services	Museum	Library	Lakebed Management
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 807,688	\$ -
Licenses, Permits and Franchise Fees	-	-	-	41,460
Fines and Forfeitures	-	-	17	-
Use of Money and Property	3,360	176	15,056	3,361
Intergovernmental	2,264,869	-	78,712	-
Charges for Services	-	-	20,271	-
Other Revenues	331	5,776	54,806	226,057
Total Revenues	2,268,560	5,952	976,550	270,878
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	203,210
Public Protection	2,266,690	-	-	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Education	-	-	1,036,635	-
Recreation and Culture	-	2,803	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	5,470	-	-	-
Total Expenditures	2,272,160	2,803	1,036,635	203,210
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(3,600)	3,149	(60,085)	67,668
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	14,281	-
Transfers out	-	-	-	-
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	-	-	14,281	-
<b>NET CHANGE IN FUND BALANCE</b>	(3,600)	3,149	(45,804)	67,668
Fund Balances - Beginning of Year, Restated	77,889	14,514	309,573	166,358
<b>FUND BALANCES - END OF YEAR</b>	\$ 74,289	\$ 17,663	\$ 263,769	\$ 234,026

**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	Kelseyville Waterworks District	Behavioral Health Programs	Lake County Housing Commission	Watershed Protection Districts
<b>REVENUES</b>				
Taxes	\$ 109,791	\$ -	\$ -	\$ 624,286
Licenses, Permits and Franchise Fees	-	-	-	208,601
Fines and Forfeitures	-	19,446	-	1,412
Use of Money and Property	8,586	125,991	5,529	40,181
Intergovernmental	2,421	13,477,839	1,869,125	566,103
Charges for Services	849,395	280,435	231,562	661,379
Other Revenues	71	17,050	6,153	5,151
Total Revenues	970,264	13,920,761	2,112,369	2,107,113
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	55,015
Public Protection	-	-	-	1,626,749
Public Ways and Facilities	961,005	-	-	-
Health and Sanitation	-	12,491,029	-	-
Public Assistance	-	-	2,067,820	-
Education	-	-	-	-
Recreation and Culture	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	50,479	57,961	-	-
Total Expenditures	1,011,484	12,548,990	2,067,820	1,681,764
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(41,220)	1,371,771	44,549	425,349
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	61,112	-	-
Transfers out	-	-	-	-
Sale of Capital Assets	-	245	-	-
Total Other Financing Sources (Uses)	-	61,357	-	-
<b>NET CHANGE IN FUND BALANCE</b>	(41,220)	1,433,128	44,549	425,349
Fund Balances - Beginning of Year, Restated	762,094	7,329,351	1,184,440	1,742,156
<b>FUND BALANCES - END OF YEAR</b>	\$ 720,874	\$ 8,762,479	\$ 1,228,989	\$ 2,167,505

**COUNTY OF LAKE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	County Service Areas	Lighting Districts	Sheriff Motor Pool	Sanitation Districts
<b>REVENUES</b>				
Taxes	\$ 260,041	\$ 87,018	\$ -	\$ -
Licenses, Permits and Franchise Fees	-	-	-	-
Fines and Forfeitures	16,668	65	-	181,537
Use of Money and Property	78,614	5,167	-	65,407
Intergovernmental	742,548	1,105	-	709,766
Charges for Services	2,179,296	2,527	191,234	6,773,942
Other Revenues	479,627	-	-	5,641
Total Revenues	3,756,794	95,882	191,234	7,736,293
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Protection	-	-	-	-
Public Ways and Facilities	2,425,230	81,971	-	-
Health and Sanitation	-	-	-	5,640,696
Public Assistance	-	-	-	-
Education	-	-	-	-
Recreation and Culture	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	1,626,887	-	287,854	217,392
Total Expenditures	4,052,117	81,971	287,854	5,858,088
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(295,323)	13,911	(96,620)	1,878,205
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(7,374)	-	-	-
Sale of Capital Assets	-	-	6,420	-
Total Other Financing Sources (Uses)	(7,374)	-	6,420	-
<b>NET CHANGE IN FUND BALANCE</b>	(302,697)	13,911	(90,200)	1,878,205
Fund Balances - Beginning of Year, Restated	5,299,945	456,486	1,851,445	3,856,600
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 4,997,248</u>	<u>\$ 470,397</u>	<u>\$ 1,761,245</u>	<u>\$ 5,734,805</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds		Debt Service Funds	
	Anderson Springs Sewer	Cannabis Fees and Taxation	Sanitation Improvement Districts	LACOSAN Assessment Districts
<b>REVENUES</b>				
Taxes	\$ -	\$ 267,593	\$ 2,926	\$ 32,470
Licenses, Permits and Franchise Fees	-	260,782	-	-
Fines and Forfeitures	-	-	3,156	2,134
Use of Money and Property	399	-	686	10,564
Intergovernmental	229,615	-	-	-
Charges for Services	-	95,266	-	357,515
Other Revenues	-	-	-	-
Total Revenues	230,014	623,641	6,768	402,683
<b>EXPENDITURES</b>				
Current:				
General Government	-	45,149	-	-
Public Protection	-	-	-	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	234,514	-	-	-
Public Assistance	-	-	-	-
Education	-	-	-	-
Recreation and Culture	-	-	-	-
Debt Service:				
Principal	-	-	-	64,000
Interest	-	-	-	117,575
Capital Outlay	-	-	-	-
Total Expenditures	234,514	45,149	-	181,575
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,500)	578,492	6,768	221,108
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	(4,500)	578,492	6,768	221,108
Fund Balances - Beginning of Year, Restated	52,561	-	60,856	768,302
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 48,061</u>	<u>\$ 578,492</u>	<u>\$ 67,624</u>	<u>\$ 989,410</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	Debt Service Funds			Capital Project Funds	
	County Service Area Improvement Districts	USDA RUS Loans	Geyser's Pipeline	Public Safety Facilities	Geyser's Pipeline
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchise Fees	-	-	-	-	-
Fines and Forfeitures	10,108	-	-	-	-
Use of Money and Property	12,755	17,575	41,431	-	-
Intergovernmental	-	-	-	-	-
Charges for Services	228,878	297,822	591,621	-	-
Other Revenues	-	-	-	-	-
Total Revenues	251,741	315,397	633,052	-	-
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	-	108,703	-
Public Protection	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-
Health and Sanitation	-	-	-	-	-
Public Assistance	-	-	-	-	-
Education	-	-	-	-	-
Recreation and Culture	-	-	-	-	-
Debt Service:					
Principal	212,995	113,322	3,185,199	-	-
Interest	38,582	112,223	83,993	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	251,577	225,545	3,269,192	108,703	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	164	89,852	(2,636,140)	(108,703)	-
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	164	89,852	(2,636,140)	(108,703)	-
Fund Balances - Beginning of Year, Restated	1,144,571	1,497,739	4,079,893	1,272,497	-
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,144,735</u>	<u>\$ 1,587,591</u>	<u>\$ 1,443,753</u>	<u>\$ 1,163,794</u>	<u>\$ -</u>

**COUNTY OF LAKE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Capital Project Funds				Totals
	Road Improvement Projects	Special Projects	CDBG	Lampson Airport Capital Projects	
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,034,735
Licenses, Permits and Franchise Fees	-	-	-	-	1,912,775
Fines and Forfeitures	-	-	-	-	496,734
Use of Money and Property	-	-	-	414	687,733
Intergovernmental	-	1,671,181	-	19,180	33,377,542
Charges for Services	-	1,060	-	-	18,046,326
Other Revenues	1,783	-	-	-	889,935
Total Revenues	1,783	1,672,241	-	19,594	58,445,780
<b>EXPENDITURES</b>					
Current:					
General Government	-	3,787,647	-	-	4,672,392
Public Protection	-	-	-	-	6,858,061
Public Ways and Facilities	-	-	243,251	27,732	13,408,898
Health and Sanitation	-	-	-	-	18,669,445
Public Assistance	-	-	-	-	2,369,760
Education	-	-	-	-	1,036,635
Recreation and Culture	-	-	-	-	31,316
Debt Service:					
Principal	-	-	-	-	3,575,516
Interest	-	-	-	-	352,373
Capital Outlay	-	-	-	-	5,664,861
Total Expenditures	-	3,787,647	243,251	27,732	56,639,257
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,783	(2,115,406)	(243,251)	(8,138)	1,806,523
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	399,991	68,889	26,400	703,732
Transfers out	-	(190,000)	-	-	(1,299,220)
Sale of Capital Assets	-	-	-	-	27,724
Total Other Financing Sources (Uses)	-	209,991	68,889	26,400	(567,764)
<b>NET CHANGE IN FUND BALANCE</b>	1,783	(1,905,415)	(174,362)	18,262	1,238,759
Fund Balances - Beginning of Year, Restated	(705)	2,281,884	175,591	28,817	48,944,329
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,078</u>	<u>\$ 376,469</u>	<u>\$ 1,229</u>	<u>\$ 47,079</u>	<u>\$ 50,183,088</u>



**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
ROAD FUND  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 746,817	\$ 746,817	\$ 776,207	\$ 29,390
Licenses and Permits	181,000	181,000	223,686	42,686
Fines and Forfeitures	300	300	86	(214)
Use of Money and Property	30,000	30,000	99,784	69,784
Intergovernmental Revenues	15,549,618	15,552,773	8,537,431	(7,015,342)
Charges for Services	962,635	962,635	211,306	(751,329)
Other Revenues	20,010	20,010	184	(19,826)
Total Revenues	17,490,380	17,493,535	9,848,684	(7,644,851)
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	7,440,053	7,473,887	4,676,684	2,797,203
Capital Outlay	11,135,210	11,114,210	3,154,054	7,960,156
Total Expenditures	18,575,263	18,588,097	7,830,738	10,757,359
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,084,883)	(1,094,562)	2,017,946	3,112,508
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	37,013	46,692	17,053	(29,639)
<b>NET CHANGE IN FUND BALANCE</b>	(1,047,870)	(1,047,870)	2,034,999	3,082,869
Fund Balance - Beginning of Year	5,447,805	5,447,805	5,447,805	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 4,399,935</u>	<u>\$ 4,399,935</u>	<u>\$ 7,482,804</u>	<u>\$ 3,082,869</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
PARK DEVELOPMENT QUIMBY  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ 800	\$ 800	\$ 1,430	\$ 630
Charges for Services	13,572	13,572	30,497	16,925
Total Revenues	14,372	14,372	31,927	17,555
<b>EXPENDITURES</b>				
Recreation and Culture	138,430	138,430	28,513	109,917
<b>NET CHANGE IN FUND BALANCE</b>	(124,058)	(124,058)	3,414	127,472
Fund Balance - Beginning of Year	124,058	124,058	124,058	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,472</u>	<u>\$ 127,472</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
COMMUNITY DEVELOPMENT  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Licenses and Permits	1,507,357	951,622	607,434	(344,188)
Fines and Forfeitures	-	-	28,684	28,684
Use of Money and Property	3,100	3,358	11,137	7,779
Charges for Services	392,600	288,677	344,618	55,941
Other Revenues	20	20	573	553
Total Revenues	1,908,077	1,248,677	992,446	(256,231)
<b>EXPENDITURES</b>				
Current:				
Public Protection	2,218,280	1,691,397	1,366,141	325,256
Capital Outlay	140,000	115,000	14,820	100,180
Total Expenditures	2,358,280	1,806,397	1,380,961	425,436
<b>NET CHANGE IN FUND BALANCE</b>	(450,203)	(557,720)	(388,515)	169,205
Fund Balance - Beginning of Year, Restated	1,194,953	1,194,953	1,194,953	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 744,750</u>	<u>\$ 637,233</u>	<u>\$ 806,438</u>	<u>\$ 169,205</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
GEOTHERMAL RESOURCE ROYALTIES  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ 7,500	\$ 7,500	\$ 14,278	\$ 6,778
Intergovernmental Revenues	1,144,493	1,054,493	1,226,940	172,447
Other Revenues	3,000	3,000	3,200	200
Total Revenues	1,154,993	1,064,993	1,244,418	179,425
<b>EXPENDITURES</b>				
Current:				
General Government	749,680	749,680	472,668	277,012
Capital Outlay	135,263	135,263	-	135,263
Total Expenditures	884,943	884,943	472,668	412,275
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	270,050	180,050	771,750	591,700
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(982,566)	(892,566)	(982,566)	(90,000)
<b>NET CHANGE IN FUND BALANCE</b>	(712,516)	(712,516)	(210,816)	501,700
Fund Balance - Beginning of Year	767,717	767,717	767,717	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 55,201</u>	<u>\$ 55,201</u>	<u>\$ 556,901</u>	<u>\$ 501,700</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
FISH AND GAME  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and Assessments	\$ 66,120	\$ 66,120	\$ 66,703	\$ 583
Fines and Forfeitures	10,200	10,200	4,081	(6,119)
Use of Money and Property	250	250	752	502
Intergovernmental Revenues	800	800	755	(45)
Total Revenues	<u>77,370</u>	<u>77,370</u>	<u>72,291</u>	<u>(5,079)</u>
<b>EXPENDITURES</b>				
Current:				
Public Protection	<u>87,694</u>	<u>87,694</u>	<u>64,914</u>	<u>22,780</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(10,324)	(10,324)	7,377	17,701
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(7,824)	(7,824)	9,877	17,701
Fund Balance - Beginning of Year	<u>48,575</u>	<u>48,575</u>	<u>48,575</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 40,751</u>	<u>\$ 40,751</u>	<u>\$ 58,452</u>	<u>\$ 17,701</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL AVIATION  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and Assessments	\$ 150	\$ 150	\$ 12	\$ (138)
Use of Money and Property	56,560	56,560	41,257	(15,303)
Intergovernmental Revenues	10,000	10,000	10,000	-
Other Revenues	15	15	-	(15)
Total Revenues	66,725	66,725	51,269	(15,456)
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	100,869	100,869	57,613	43,256
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(34,144)	(34,144)	(6,344)	27,800
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	38,506	38,506	38,506	-
Transfers out	(26,400)	(26,400)	(26,400)	-
Total Other Financing Sources (Uses)	12,106	12,106	12,106	-
<b>NET CHANGE IN FUND BALANCE</b>	(22,038)	(22,038)	5,762	27,800
Fund Balance - Beginning of Year	22,037	22,037	22,037	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ 27,799</u>	<u>\$ 27,800</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL DISTRICTS ADMINISTRATION  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ 3,350	\$ 3,350	\$ 6,591	\$ 3,241
Charges for Services	4,657,019	4,657,019	4,186,209	(470,810)
Total Revenues	4,660,369	4,660,369	4,192,800	(467,569)
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	4,605,139	4,605,139	4,008,995	596,144
Capital Outlay	5,000	33,000	28,001	4,999
Total Expenditures	4,610,139	4,638,139	4,036,996	601,143
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	50,230	22,230	155,804	133,574
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	159	159
<b>NET CHANGE IN FUND BALANCE</b>	50,230	22,230	155,963	133,733
Fund Balance - Beginning of Year	214,877	214,877	214,877	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 265,107</u>	<u>\$ 237,107</u>	<u>\$ 370,840</u>	<u>\$ 133,733</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
SHERIFF PROGRAMS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 147,435	\$ 147,435	\$ 169,727	\$ 22,292
Use of Money and Property	10,900	10,900	37,105	26,205
Intergovernmental Revenues	659,473	659,473	772,484	113,011
Charges for Services	32,500	32,500	90,338	57,838
Other Revenues	-	-	1,700	1,700
Total Revenues	850,308	850,308	1,071,354	221,046
<b>EXPENDITURES</b>				
Current:				
Public Protection	3,488,340	1,480,300	674,807	805,493
Capital Outlay	154,000	329,000	137,770	191,230
Total Expenditures	3,642,340	1,809,300	812,577	996,723
<b>NET CHANGE IN FUND BALANCE</b>	(2,792,032)	(958,992)	258,777	1,217,769
Fund Balance - Beginning of Year	2,818,106	2,818,106	2,818,106	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 26,074</u>	<u>\$ 1,859,114</u>	<u>\$ 3,076,883</u>	<u>\$ 1,217,769</u>



**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
DISTRICT ATTORNEY PROGRAMS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 8,250	\$ 21,250	\$ 27,539	\$ 6,289
Use of Money and Property	500	500	2,195	1,695
Charges for Services	6,750	6,750	6,693	(57)
Total Revenues	15,500	28,500	36,427	7,927
<b>EXPENDITURES</b>				
Current:				
Public Protection	140,577	153,577	44,373	109,204
<b>NET CHANGE IN FUND BALANCE</b>	(125,077)	(125,077)	(7,946)	117,131
Fund Balance - Beginning of Year	203,824	203,824	203,824	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 78,747</u>	<u>\$ 78,747</u>	<u>\$ 195,878</u>	<u>\$ 117,131</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
ANIMAL MEDICAL CLINIC  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 8,500	\$ 8,500	\$ 9,850	\$ 1,350
Charges for Services	79,618	69,618	62,415	(7,203)
Other Revenues	9,834	9,834	13,004	3,170
Total Revenues	97,952	87,952	85,269	(2,683)
<b>EXPENDITURES</b>				
Current:				
Public Protection	187,717	177,717	170,418	7,299
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(89,765)	(89,765)	(85,149)	4,616
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	75,000	75,000	75,000	-
<b>NET CHANGE IN FUND BALANCE</b>	(14,765)	(14,765)	(10,149)	4,616
Fund Balance - Beginning of Year	14,765	14,765	14,765	-
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ 4,616	\$ 4,616

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
MIDDLETON SEWER  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ -	\$ -	\$ 1,709	\$ 1,709
Use of Money and Property	3,160	3,160	9,590	6,430
Intergovernmental Revenues	402,160	402,160	117,184	(284,976)
Charges for Services	205,031	205,031	178,156	(26,875)
Other Revenues	-	-	86	86
Total Revenues	610,351	610,351	306,725	(303,626)
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	652,850	697,350	303,206	394,144
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(42,499)	(86,999)	3,519	90,518
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	20,900	20,900
<b>NET CHANGE IN FUND BALANCE</b>	(42,499)	(86,999)	24,419	111,418
Fund Balance - Beginning of Year	821,014	821,014	821,014	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 778,515</u>	<u>\$ 734,015</u>	<u>\$ 845,433</u>	<u>\$ 111,418</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
IHSS PUBLIC AUTHORITY  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 342,303	\$ 342,303	\$ 242,706	\$ (99,597)
Charges for Services	25,000	25,000	23,991	(1,009)
Total Revenues	367,303	367,303	266,697	(100,606)
<b>EXPENDITURES</b>				
Current:				
Public Assistance	418,656	418,656	242,706	175,950
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(51,353)	(51,353)	23,991	75,344
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	76,119	76,119	-	(76,119)
Transfers out	(25,000)	(25,000)	(23,991)	1,009
Total Other Financing Sources (Uses)	51,119	51,119	(23,991)	(75,110)
<b>NET CHANGE IN FUND BALANCE</b>	(234)	(234)	-	234
Fund Balance - Beginning of Year	234	234	234	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 234</u>	<u>\$ 234</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
RECORDER PROGRAMS  
YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Use of Money and Property	\$ 11,500	\$ 11,500	\$ 18,614	\$ 7,114
Charges for Services	149,100	149,100	143,864	(5,236)
Charges for Services	-	-	117	117
Total Revenues	<u>160,600</u>	<u>160,600</u>	<u>162,595</u>	<u>1,995</u>
<b>EXPENDITURES</b>				
Current:				
Public Protection	<u>372,852</u>	<u>372,852</u>	<u>131,711</u>	<u>241,141</u>
<b>NET CHANGE IN FUND BALANCE</b>	(212,252)	(212,252)	30,884	243,136
Fund Balance - Beginning of Year	<u>1,729,861</u>	<u>1,729,861</u>	<u>1,729,861</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,517,609</u>	<u>\$ 1,517,609</u>	<u>\$ 1,760,745</u>	<u>\$ 243,136</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
AIR QUALITY DISTRICT  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 536,658	\$ 536,658	\$ 560,962	\$ 24,304
Fines and Forfeitures	80,050	80,050	30,365	(49,685)
Use of Money and Property	8,500	8,500	7,467	(1,033)
Intergovernmental Revenues	695,455	695,455	325,339	(370,116)
Charges for Services	3,300	3,300	6,036	2,736
Other Revenues	9,000	9,000	1,234	(7,766)
Total Revenues	1,332,963	1,332,963	931,403	(401,560)
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	1,751,736	1,751,736	926,417	825,319
Capital Outlay	169,046	169,046	84,173	84,873
Total Expenditures	1,920,782	1,920,782	1,010,590	910,192
<b>NET CHANGE IN FUND BALANCE</b>	(587,819)	(587,819)	(79,187)	508,632
Fund Balance - Beginning of Year	660,732	660,732	660,732	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 72,913</u>	<u>\$ 72,913</u>	<u>\$ 581,545</u>	<u>\$ 508,632</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
CDBG PROGRAMS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ 200	\$ 200	\$ 2,041	\$ 1,841
Other Revenues	10,000	49,800	67,391	17,591
Total Revenues	10,200	50,000	69,432	19,432
<b>EXPENDITURES</b>				
Current:				
Public Assistance	10,200	-	59,234	(59,234)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	50,000	10,198	(39,802)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(50,000)	(68,889)	(18,889)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(58,691)	(58,691)
Fund Balance - Beginning of Year	462,900	462,900	462,900	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 462,900</u>	<u>\$ 462,900</u>	<u>\$ 404,209</u>	<u>\$ (58,691)</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
CHILD SUPPORT SERVICES  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 3,360	\$ 3,360
Intergovernmental Revenues	2,616,256	2,616,256	2,264,869	(351,387)
Other Revenues	-	-	331	331
Total Revenues	2,616,256	2,616,256	2,268,560	(347,696)
<b>EXPENDITURES</b>				
Current:				
Public Protection	2,670,095	2,664,095	2,266,690	397,405
Capital Outlay	24,000	30,000	5,470	24,530
Total Expenditures	2,694,095	2,694,095	2,272,160	421,935
<b>NET CHANGE IN FUND BALANCE</b>	(77,839)	(77,839)	(3,600)	74,239
Fund Balance - Beginning of Year	77,889	77,889	77,889	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 74,289</u>	<u>\$ 74,239</u>



**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
MUSEUM  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ 100	\$ 100	\$ 176	\$ 76
Other Revenues	5,000	5,000	5,776	776
Total Revenues	5,100	5,100	5,952	852
<b>EXPENDITURES</b>				
Current:				
Recreation and Culture	19,614	19,614	2,803	16,811
<b>NET CHANGE IN FUND BALANCE</b>	(14,514)	(14,514)	3,149	17,663
Fund Balance - Beginning of Year	14,514	14,514	14,514	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,663</u>	<u>\$ 17,663</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
LIBRARY  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and Assessments	\$ 755,354	\$ 755,354	\$ 807,688	\$ 52,334
Fines and Forfeitures	58	58	17	(41)
Use of Money and Property	12,400	12,400	15,056	2,656
Intergovernmental Revenues	73,337	73,337	78,712	5,375
Charges for Services	21,360	21,360	20,271	(1,089)
Other Revenues	35,000	25,000	54,806	29,806
Total Revenues	897,509	887,509	976,550	89,041
<b>EXPENDITURES</b>				
Current:				
Education	1,074,362	1,084,362	1,036,635	47,727
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(176,853)	(196,853)	(60,085)	136,768
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	14,281	14,281	14,281	-
<b>NET CHANGE IN FUND BALANCE</b>	(162,572)	(182,572)	(45,804)	136,768
Fund Balance - Beginning of Year	309,573	309,573	309,573	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 147,001</u>	<u>\$ 127,001</u>	<u>\$ 263,769</u>	<u>\$ 136,768</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
LAKEBED MANAGEMENT  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 34,364	\$ 34,364	\$ 41,460	\$ 7,096
Use of Money and Property	815	815	3,361	2,546
Other Revenues	191,000	191,000	226,057	35,057
Total Revenues	226,179	226,179	270,878	44,699
<b>EXPENDITURES</b>				
Current:				
General Government	279,785	279,785	203,210	76,575
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(53,606)	(53,606)	67,668	121,274
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	265,023	265,023	-	265,023
Transfers out	(265,023)	(265,023)	-	(265,023)
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	(53,606)	(53,606)	67,668	121,274
Fund Balance - Beginning of Year	166,358	166,358	166,358	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 112,752</u>	<u>\$ 112,752</u>	<u>\$ 234,026</u>	<u>\$ 121,274</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
KELSEYVILLE WATERWORKS DISTRICT  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and Assessments	\$ 113,920	\$ 113,920	\$ 109,791	\$ (4,129)
Fines and Forfeitures	150	150	-	(150)
Use of Money and Property	3,430	3,430	8,586	5,156
Intergovernmental Revenues	650	650	2,421	1,771
Charges for Services	798,796	798,796	849,395	50,599
Other Revenues	-	-	71	71
Total Revenues	916,946	916,946	970,264	53,318
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	1,074,061	1,083,451	961,005	122,446
Capital Outlay	147,500	183,500	50,479	133,021
Total Expenditures	1,221,561	1,266,951	1,011,484	255,467
<b>NET CHANGE IN FUND BALANCE</b>	(304,615)	(350,005)	(41,220)	308,785
Fund Balance - Beginning of Year	762,094	762,094	762,094	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 457,479</u>	<u>\$ 412,089</u>	<u>\$ 720,874</u>	<u>\$ 308,785</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
BEHAVIORAL HEALTH PROGRAMS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 19,000	\$ 19,000	\$ 19,446	\$ 446
Use of Money and Property	25,006	25,006	125,991	100,985
Intergovernmental	15,505,628	15,505,628	13,477,839	(2,027,789)
Charges for Services	279,000	279,000	280,435	1,435
Other Revenues	46,292	46,292	17,050	(29,242)
Total Revenues	15,874,926	15,874,926	13,920,761	(1,954,165)
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	15,591,038	15,586,848	12,491,029	3,095,819
Capital Outlay	345,000	345,000	57,961	287,039
Total Expenditures	15,936,038	15,931,848	12,548,990	3,382,858
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(61,112)	(56,922)	1,371,771	1,428,693
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	61,112	61,112	61,112	-
Sale of Capital Assets	-	-	245	(245)
Total Other Financing Sources (Uses)	61,112	61,112	61,357	(245)
<b>NET CHANGE IN FUND BALANCE</b>	-	4,190	1,433,128	1,428,938
Fund Balance - Beginning of Year	7,329,351	7,329,351	7,329,351	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 7,329,351</u>	<u>\$ 7,333,541</u>	<u>\$ 8,762,479</u>	<u>\$ 1,428,938</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
LAKE COUNTY HOUSING COMMISSION  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 1,712,000	\$ 1,712,000	\$ 1,869,125	\$ 157,125
Use of Money and Property	20	20	5,529	5,509
Charges for Services	249,855	249,855	231,562	(18,293)
Other Revenues	15,141	15,141	6,153	(8,988)
Total Revenues	1,977,016	1,977,016	2,112,369	135,353
<b>EXPENDITURES</b>				
Current:				
Public Assistance	2,138,865	2,138,865	2,067,820	71,045
Total Expenditures	2,138,865	2,138,865	2,067,820	71,045
<b>NET CHANGE IN FUND BALANCE</b>	(161,849)	(161,849)	44,549	206,398
Fund Balance - Beginning of Year	1,184,440	1,184,440	1,184,440	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,022,591</u>	<u>\$ 1,022,591</u>	<u>\$ 1,228,989</u>	<u>\$ 206,398</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
WATERSHED PROTECTION DISTRICTS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and Assessments	\$ 581,120	\$ 581,120	\$ 624,286	\$ 43,166
Licenses and Permits	152,200	152,200	208,601	56,401
Fines and Forfeitures	5,255	5,255	1,412	(3,843)
Use of Money and Property	42,065	42,065	40,181	(1,884)
Intergovernmental Revenues	1,409,543	1,409,543	566,103	(843,440)
Charges for Services	866,426	666,426	661,379	(5,047)
Other Revenues	14,000	14,000	5,151	(8,849)
Total Revenues	3,070,609	2,870,609	2,107,113	(763,496)
<b>EXPENDITURES</b>				
Current:				
General Government	162,099	182,099	55,015	127,084
Public Protection	3,286,078	3,351,078	1,626,749	1,724,329
Capital Outlay	21,231	21,231	-	21,231
Total Expenditures	3,469,408	3,554,408	1,681,764	1,872,644
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(398,799)	(683,799)	425,349	1,109,148
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	13,500	13,500	-	(13,500)
Transfers out	(13,500)	(13,500)	-	13,500
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	(398,799)	(683,799)	425,349	1,109,148
Fund Balance - Beginning of Year	1,742,156	1,742,156	1,742,156	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,343,357</u>	<u>\$ 1,058,357</u>	<u>\$ 2,167,505</u>	<u>\$ 1,109,148</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
COUNTY SERVICE AREAS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and Assessments	\$ 244,635	\$ 244,635	\$ 260,041	\$ 15,406
Fines and Forfeitures	1,618	1,618	16,668	15,050
Use of Money and Property	21,103	21,103	78,614	57,511
Intergovernmental Revenues	5,613,782	5,613,782	742,548	(4,871,234)
Charges for Services	2,034,705	2,034,705	2,179,296	144,591
Other Revenues	658,766	2,110,698	479,627	(1,631,071)
Total Revenues	8,574,609	10,026,541	3,756,794	(6,269,747)
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	3,420,638	5,552,283	2,425,230	3,127,053
Capital Outlay	6,752,704	6,828,036	1,626,887	5,201,149
Total Expenditures	10,173,342	12,380,319	4,052,117	8,328,202
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,598,733)	(2,353,778)	(295,323)	2,058,455
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(35,413)	(35,413)	(7,374)	28,039
<b>NET CHANGE IN FUND BALANCE</b>	(1,634,146)	(2,389,191)	(302,697)	2,086,494
Fund Balance - Beginning of Year	5,299,945	5,299,945	5,299,945	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 3,665,799</u>	<u>\$ 2,910,754</u>	<u>\$ 4,997,248</u>	<u>\$ 2,086,494</u>



**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
LIGHTING DISTRICTS  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes and Assessments	\$ 84,951	\$ 84,951	\$ 87,018	\$ 2,067
Fines and Forfeitures	48	48	65	17
Use of Money and Property	1,664	1,664	5,167	3,503
Intergovernmental Revenues	62	62	1,105	1,043
Charges for Services	2,884	2,884	2,527	(357)
Total Revenues	89,609	89,609	95,882	6,273
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	96,255	96,255	81,971	14,284
<b>NET CHANGE IN FUND BALANCE</b>	(6,646)	(6,646)	13,911	20,557
Fund Balance - Beginning of Year	456,486	456,486	456,486	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 449,840</u>	<u>\$ 449,840</u>	<u>\$ 470,397</u>	<u>\$ 20,557</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
SHERIFF MOTOR POOL  
YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services	\$ 200,000	\$ 200,000	\$ 191,234	\$ (8,766)
<b>EXPENDITURES</b>				
Current:				
Capital Outlay	<u>1,237,565</u>	<u>469,000</u>	<u>287,854</u>	<u>181,146</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,037,565)	(269,000)	(96,620)	172,380
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>6,420</u>	<u>6,420</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,037,565)	(269,000)	(90,200)	178,800
Fund Balance - Beginning of Year	<u>1,851,445</u>	<u>1,851,445</u>	<u>1,851,445</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 813,880</u>	<u>\$ 1,582,445</u>	<u>\$ 1,761,245</u>	<u>\$ 178,800</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
SANITATION DISTRICTS  
YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 86,673	\$ 86,673	\$ 181,537	\$ 94,864
Use of Money and Property	15,667	15,667	65,407	49,740
Intergovernmental	-	39,116	709,766	670,650
Charges for Services	6,337,931	6,640,321	6,773,942	133,621
Other Revenues	-	-	5,641	5,641
Total Revenues	<u>6,440,271</u>	<u>6,781,777</u>	<u>7,736,293</u>	<u>954,516</u>
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	6,560,338	6,869,728	5,640,696	1,229,032
Capital Outlay	<u>145,000</u>	<u>240,116</u>	<u>217,392</u>	<u>22,724</u>
Total Expenditures	<u>6,705,338</u>	<u>7,109,844</u>	<u>5,858,088</u>	<u>1,251,756</u>
<b>NET CHANGE IN FUND BALANCE</b>	(265,067)	(328,067)	1,878,205	2,206,272
Fund Balance - Beginning of Year	<u>3,856,600</u>	<u>3,856,600</u>	<u>3,856,600</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 3,591,533</u>	<u>\$ 3,528,533</u>	<u>\$ 5,734,805</u>	<u>\$ 2,206,272</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
ANDERSON SPRINGS SEWER  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 399	\$ 399
Intergovernmental	10,156,541	10,156,541	229,615	(9,926,926)
Total Revenues	10,156,541	10,156,541	230,014	(9,926,527)
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	10,209,102	10,209,102	234,514	9,974,588
<b>NET CHANGE IN FUND BALANCE</b>	(52,561)	(52,561)	(4,500)	48,061
Fund Balance - Beginning of Year	52,561	52,561	52,561	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,061</u>	<u>\$ 48,061</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
CANNABIS FEES AND TAXATION  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 267,593	\$ 267,593
Licenses, Permits and Franchise Fees	-	180,248	260,782	80,534
Charges for Services	-	94,050	95,266	1,216
Total Revenues	-	274,298	623,641	349,343
<b>EXPENDITURES</b>				
Current:				
General Government	-	274,298	45,149	229,149
<b>NET CHANGE IN FUND BALANCE</b>	-	-	578,492	578,492
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 578,492</u>	<u>\$ 578,492</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
PUBLIC SAFETY FACILITIES – CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Current:				
General Government	<u>\$ 1,272,497</u>	<u>\$ 1,272,497</u>	<u>\$ 108,703</u>	<u>\$ 1,163,794</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,272,497)	(1,272,497)	(108,703)	1,163,794
Fund Balance - Beginning of Year	<u>1,272,497</u>	<u>1,272,497</u>	<u>1,272,497</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,163,794</u>	<u>\$ 1,163,794</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
GEYSER'S PIPELINE – CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Current:				
General Government	<u>\$      500,000</u>	<u>\$      500,000</u>	<u>\$              -</u>	<u>\$      500,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	(500,000)	(500,000)	-	500,000
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$      (500,000)</u></u>	<u><u>\$      (500,000)</u></u>	<u><u>\$              -</u></u>	<u><u>\$      500,000</u></u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
ROAD IMPROVEMENT PROJECTS – CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Other Revenues	\$ 4,000	\$ 4,000	\$ 1,783	\$ (2,217)
<b>EXPENDITURES</b>				
Current:				
General Government	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(26,000)	(26,000)	1,783	27,783
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(1,600)</u>	<u>(1,600)</u>	<u>-</u>	<u>1,600</u>
<b>NET CHANGE IN FUND BALANCE</b>	(27,600)	(27,600)	1,783	29,383
Fund Balance - Beginning of Year	<u>(705)</u>	<u>(705)</u>	<u>(705)</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (28,305)</u>	<u>\$ (28,305)</u>	<u>\$ 1,078</u>	<u>\$ 29,383</u>



**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL PROJECTS – CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 4,094,503	\$ 4,094,503	\$ 1,671,181	\$ (2,423,322)
Charges for Services	-	-	1,060	1,060
Total Revenues	4,094,503	4,094,503	1,672,241	(2,422,262)
<b>EXPENDITURES</b>				
Current:				
General Government	6,586,378	6,586,378	3,787,647	2,798,731
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,491,875)	(2,491,875)	(2,115,406)	376,469
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	399,991	399,991	399,991	-
Transfers out	(190,000)	(190,000)	(190,000)	-
Total Other Financing Sources (Uses)	209,991	209,991	209,991	-
<b>NET CHANGE IN FUND BALANCE</b>	(2,281,884)	(2,281,884)	(1,905,415)	376,469
Fund Balance - Beginning of Year	2,281,884	2,281,884	2,281,884	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376,469</u>	<u>\$ 376,469</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
CDBG – CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 3,542,224	\$ 3,542,224	\$ -	\$ (3,542,224)
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	<u>3,717,815</u>	<u>3,767,815</u>	<u>243,251</u>	<u>3,524,564</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(175,591)	(225,591)	(243,251)	(17,660)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	750,000	800,000	68,889	(731,111)
Transfers out	<u>(750,000)</u>	<u>(750,000)</u>	<u>-</u>	<u>750,000</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>50,000</u>	<u>68,889</u>	<u>18,889</u>
<b>NET CHANGE IN FUND BALANCE</b>	(175,591)	(175,591)	(174,362)	1,229
Fund Balance - Beginning of Year	<u>175,591</u>	<u>175,591</u>	<u>175,591</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,229</u>	<u>\$ 1,229</u>

**COUNTY OF LAKE  
BUDGETARY COMPARISON SCHEDULE  
LAMPSON AIRPORT – CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of Money and Property	\$ 205	\$ 205	\$ 414	\$ 209
Intergovernmental Revenues	512,044	512,044	19,180	(492,864)
Total Revenues	512,249	512,249	19,594	(492,655)
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	538,100	538,100	27,732	510,368
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(25,851)	(25,851)	(8,138)	17,713
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	26,400	26,400	26,400	-
<b>NET CHANGE IN FUND BALANCE</b>	549	549	18,262	17,713
Fund Balance - Beginning of Year	28,817	28,817	28,817	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 29,366</u>	<u>\$ 29,366</u>	<u>\$ 47,079</u>	<u>\$ 17,713</u>

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## **INTERNAL SERVICE FUNDS**

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**COUNTY OF LAKE  
INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments on a cost reimbursement basis. Internal service funds used at the County are listed below:

- **UNEMPLOYMENT INSURANCE**  
to account for the operations of the County unemployment self-insurance program.
- **PUBLIC LIABILITY INSURANCE**  
to account for the operations of the County liability insurance program.
- **WORKERS' COMPENSATION INSURANCE**  
to account for the operation of the County workers' compensation insurance program.
- **EMPLOYEE HEALTH AND WELLNESS**  
to account for the operations of the County self-funded health and wellness programs.
- **HEAVY EQUIPMENT RENTAL**  
to account for the cost of heavy equipment maintenance and operations usage and to accumulate funds for the future replacement of heavy equipment.
- **FLEET MAINTENANCE**  
to account for the cost of general services fleet operations and maintenance.
- **CENTRAL GARAGE**  
to account for the cost of fleet repairs.

**COUNTY OF LAKE**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUND**  
**JUNE 30, 2018**

	Risk Management			
	Unemployment Insurance	Public Liability Insurance	Workers' Compensation Insurance	Employee Health/Wellness
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 264,983	\$ 2,121,663	\$ 745,745	\$ 54,194
Interest Receivable	-	11,828	-	-
Inventory	-	-	-	-
Total Current Assets	264,983	2,133,491	745,745	54,194
Noncurrent Assets:				
Capital Assets:				
Nondepreciable	-	-	-	-
Depreciable, Net	-	-	-	-
Total Noncurrent Assets	-	-	-	-
Total Assets	264,983	2,133,491	745,745	54,194
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	-	-	980	-
Salaries and Benefits Payable	-	-	-	-
Compensated Absences Payable	-	-	-	-
Total Current Liabilities	-	-	980	-
Noncurrent Liabilities:				
Loans Payable	-	750,000	-	-
Compensated Absences Payable	-	-	-	-
Estimated Claims Liability	101,559	330,000	-	-
Total Noncurrent Liabilities	101,559	1,080,000	-	-
Total Liabilities	101,559	1,080,000	980	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	-	-	-	-
Unrestricted	163,424	1,053,491	744,765	54,194
Total Net Position	\$ 163,424	\$ 1,053,491	\$ 744,765	\$ 54,194



**COUNTY OF LAKE  
COMBINING STATEMENT OF NET POSITION (CONTINUED)  
INTERNAL SERVICE FUND  
JUNE 30, 2018**

	Heavy Equipment Rental	Fleet Maintenance	Central Garage	Totals
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 861,977	\$ 43,483	\$ 762,546	\$ 4,854,591
Interest Receivable	-	-	-	11,828
Inventory	30,303	-	360	30,663
Total Current Assets	<u>892,280</u>	<u>43,483</u>	<u>762,906</u>	<u>4,897,082</u>
Noncurrent Assets:				
Capital Assets:				
Nondepreciable	-	-	48,233	48,233
Depreciable, Net	493,282	8,699	403,608	905,589
Total Noncurrent Assets	<u>493,282</u>	<u>8,699</u>	<u>451,841</u>	<u>953,822</u>
Total Assets	1,385,562	52,182	1,214,747	5,850,904
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	7,520	240	12,252	20,992
Salaries and Benefits Payable	-	35,898	-	35,898
Compensated Absences Payable	-	1,750	-	1,750
Total Current Liabilities	<u>7,520</u>	<u>37,888</u>	<u>12,252</u>	<u>58,640</u>
Noncurrent Liabilities:				
Loans Payable	-	-	-	750,000
Compensated Absences Payable	-	22,593	-	22,593
Estimated Claims Liability	-	-	-	431,559
Total Noncurrent Liabilities	<u>-</u>	<u>22,593</u>	<u>-</u>	<u>1,204,152</u>
Total Liabilities	<u>7,520</u>	<u>60,481</u>	<u>12,252</u>	<u>1,262,792</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	493,282	8,699	451,841	953,822
Unrestricted	<u>884,760</u>	<u>(16,998)</u>	<u>750,654</u>	<u>3,634,290</u>
Total Net Position	<u>\$ 1,378,042</u>	<u>\$ (8,299)</u>	<u>\$ 1,202,495</u>	<u>\$ 4,588,112</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2018**

	Risk Management			
	Unemployment Insurance	Public Liability Insurance	Workers' Compensation Insurance	Employee Health/Wellness
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 132,584	\$ 1,498,095	\$ 3,204,098	\$ -
Rents and Concessions	-	-	-	-
Other Revenue	-	739	-	-
Total Operating Revenues	132,584	1,498,834	3,204,098	-
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	-	-	-	-
Services and Supplies	3,457	163,011	55,521	-
Maintenance	-	-	-	-
Claims/Liability Adjustments	169,955	1,038,745	2,950,041	-
Depreciation	-	-	-	-
Total Operating Expenses	173,412	1,201,756	3,005,562	-
<b>OPERATING INCOME (LOSS)</b>	(40,828)	297,078	198,536	-
<b>NONOPERATING REVENUES AND EXPENSES</b>				
Interest Income	2,785	38,346	11,363	615
Gain (Loss) on Sale of Capital Assets	-	-	-	-
Total Nonoperating Revenues and Expenses	2,785	38,346	11,363	615
<b>CHANGE IN NET POSITION</b>	(38,043)	335,424	209,899	615
Net Position - Beginning of Year	201,467	718,067	534,866	53,579
<b>NET POSITION - END OF YEAR</b>	<u>\$ 163,424</u>	<u>\$ 1,053,491</u>	<u>\$ 744,765</u>	<u>\$ 54,194</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION (CONTINUED)  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2018**

	Heavy Equipment Rental	Fleet Maintenance	Central Garage	Total
<b>OPERATING REVENUES</b>				
Charges for Services	\$ -	\$ 373,044	\$ 571,093	\$ 5,778,914
Rents and Concessions	598,041	-	-	598,041
Other Revenue	10,609	-	42	11,390
Total Operating Revenues	608,650	373,044	571,135	6,388,345
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	-	285,949	-	285,949
Services and Supplies	469,321	84,141	396,772	1,172,223
Maintenance	179,622	-	-	179,622
Claims/Liability Adjustments	-	-	-	4,158,741
Depreciation	194,905	-	164,271	359,176
Total Operating Expenses	843,848	370,090	561,043	6,155,711
<b>OPERATING INCOME (LOSS)</b>	(235,198)	2,954	10,092	232,634
<b>NONOPERATING REVENUES AND EXPENSES</b>				
Interest Income	232,719	-	8,487	294,315
Gain (Loss) on Sale of Capital Assets	4,000	-	29,756	33,756
Total Nonoperating Revenues and Expenses	236,719	-	38,243	328,071
<b>CHANGE IN NET POSITION</b>	1,521	2,954	48,335	560,705
Net Position - Beginning of Year	1,376,521	(11,253)	1,154,160	4,027,407
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,378,042</u>	<u>\$ (8,299)</u>	<u>\$ 1,202,495</u>	<u>\$ 4,588,112</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2018**

	Risk Management			
	Unemployment	Public	Workers'	Employee
	Insurance	Liability	Compensation	Health/Wellness
	Insurance	Insurance	Insurance	Health/Wellness
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Interfund Charges for Service	\$ 132,584	\$ 1,498,834	\$ 3,204,098	\$ -
Payments to Suppliers	(175,344)	(1,199,408)	(3,004,748)	-
Payments to Employees	-	-	-	-
Net Cash Provided (Used) by Operating Activities	(42,760)	299,426	199,350	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases of Capital Assets	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Net Cash Provided (Used) by Capital Related Financing Activities	-	-	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and Dividends	2,785	26,518	11,363	615
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(39,975)	325,944	210,713	615
Cash and Cash Equivalents - Beginning of Year	304,958	1,795,719	535,032	53,579
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 264,983</u>	<u>\$ 2,121,663</u>	<u>\$ 745,745</u>	<u>\$ 54,194</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2018**

	Heavy Equipment Rental	Fleet Maintenance	Central Garage	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Interfund Charges for Service	\$ 608,650	\$ 373,044	\$ 571,135	\$ 6,388,345
Payments to Suppliers	(653,422)	(83,901)	(393,142)	(5,509,965)
Payments to Employees	-	(322,823)	-	(322,823)
Net Cash Provided (Used) by Operating Activities	(44,772)	(33,680)	177,993	555,557
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases of Capital Assets	(62,500)	(8,699)	(115,544)	(186,743)
Proceeds from Sale of Capital Assets	4,000	-	4,326	8,326
Net Cash Provided (Used) by Capital Related Financing Activities	(58,500)	(8,699)	(111,218)	(178,417)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and Dividends	232,719	-	8,487	282,487
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	129,447	(42,379)	75,262	659,627
Cash and Cash Equivalents - Beginning of Year	732,530	85,862	687,284	4,194,964
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 861,977</u>	<u>\$ 43,483</u>	<u>\$ 762,546</u>	<u>\$ 4,854,591</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2018**

	Risk Management			
	Unemployment Insurance	Public Liability Insurance	Workers' Compensation Insurance	Employee Health/Wellness
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (40,828)	\$ 297,078	\$ 198,536	\$ -
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation	-	-	-	-
(Increase) Decrease in:				
Inventory	-	-	-	-
Increase (decrease) in:				
Accounts Payable	-	(17,652)	814	-
Salaries and Benefits Payable	-	-	-	-
Compensated Absences Payable	-	-	-	-
OPEB Obligation	-	-	-	-
Estimated Claims Liability	(1,932)	20,000	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (42,760)</u>	<u>\$ 299,426</u>	<u>\$ 199,350</u>	<u>\$ --</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2018**

	Heavy Equipment Rental	Fleet Maintenance	Central Garage	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (235,198)	\$ 2,954	\$ 10,092	\$ 232,634
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation	194,905	-	164,271	359,176
(Increase) Decrease in:				
Inventory	(6,652)		-	(6,652)
Increase (decrease) in:				
Accounts Payable	2,173	240	3,630	(10,795)
Salaries and Benefits Payable	-	(958)	-	(958)
Compensated Absences Payable	-	(110)	-	(110)
OPEB Obligation	-	(35,806)	-	(35,806)
Estimated Claims Liability	-	-	-	18,068
Net Cash Provided (Used) by Operating Activities	<u>\$ (44,772)</u>	<u>\$ (33,680)</u>	<u>\$ 177,993</u>	<u>\$ 555,557</u>

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**TRUST AND AGENCY FUND**

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**COUNTY OF LAKE  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
INVESTMENT TRUST FUNDS  
JUNE 30, 2018**

	Special Districts Governed by Local Boards	School Districts	Total Investment Trust Funds
<b>ASSETS</b>			
Cash and Investments	<u>\$ 19,886,259</u>	<u>\$ 58,191,892</u>	<u>\$ 78,078,151</u>
<b>NET POSITION</b>			
Held in Trust	<u>\$ 19,886,259</u>	<u>\$ 58,191,892</u>	<u>\$ 78,078,151</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
INVESTMENT TRUST FUNDS  
YEAR ENDED JUNE 30, 2018**

	Special Districts Governed by Local Boards	School Districts	Total Investment Trust Funds
<b>ADDITIONS</b>			
Contributions from Participants	\$ 71,594,622	\$ 310,674,729	\$ 382,269,351
Interest and Investment Income	195,198	637,566	832,764
Total Additions	<u>71,789,820</u>	<u>311,312,295</u>	<u>383,102,115</u>
<b>DEDUCTIONS</b>			
Distributions to Participants	<u>69,602,871</u>	<u>312,267,325</u>	<u>381,870,196</u>
<b>CHANGE IN NET POSITION</b>	2,186,949	(955,030)	1,231,919
Net Position - Beginning of Year	<u>17,699,310</u>	<u>59,146,922</u>	<u>76,846,232</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 19,886,259</u></u>	<u><u>\$ 58,191,892</u></u>	<u><u>\$ 78,078,151</u></u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF ASSETS AND LIABILITIES  
AGENCY FUNDS  
JUNE 30, 2018**

	County Departmental	Unapportioned Taxes	Unapportioned Interest	Total
<b>ASSETS</b>				
Cash and Investments	\$ 8,710,827	\$ 5,129,252	\$ 905,810	\$ 14,745,889
Taxes and Assessments Receivable	-	8,939,461	-	8,939,461
Total Assets	<u>\$ 8,710,827</u>	<u>\$ 14,068,713</u>	<u>\$ 905,810</u>	<u>\$ 23,685,350</u>
<b>LIABILITIES</b>				
Fiduciary Liabilities	<u>\$ 8,710,827</u>	<u>\$ 14,068,713</u>	<u>\$ 905,810</u>	<u>\$ 23,685,350</u>

**COUNTY OF LAKE  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
YEAR ENDED JUNE 30, 2018**

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<b><u>County Departmental</u></b>				
<b>ASSETS</b>				
Cash and Investments	\$ 9,576,257	\$ 51,628,303	\$ 52,493,733	\$ 8,710,827
<b>LIABILITIES</b>				
Agency Fund Obligations	\$ 9,576,257	\$ 51,628,303	\$ 52,493,733	\$ 8,710,827
<b><u>Unapportioned Taxes</u></b>				
<b>ASSETS</b>				
Cash and Investments	\$ 4,700,808	\$ 130,625,481	\$ 130,197,037	\$ 5,129,252
Taxes Receivable	8,677,932	68,160,777	67,899,248	8,939,461
Total Assets	\$ 13,378,740	\$ 198,786,258	\$ 198,096,285	\$ 14,068,713
<b>LIABILITIES</b>				
Agency Fund Obligations	\$ 13,378,740	\$ 198,786,258	\$ 198,096,285	\$ 14,068,713
<b><u>Unapportioned Interest</u></b>				
<b>ASSETS</b>				
Cash and Investments	\$ 207,086	\$ 3,686,428	\$ 2,987,704	\$ 905,810
<b>LIABILITIES</b>				
Agency Fund Obligations	\$ 207,086	\$ 3,686,428	\$ 2,987,704	\$ 905,810
<b><u>Total Agency Funds</u></b>				
<b>ASSETS</b>				
Cash and Investments	\$ 11,769,805	\$ 185,940,212	\$ 185,678,474	\$ 14,745,889
Taxes Receivable	9,408,933	68,160,777	67,899,248	8,939,461
Total Assets	\$ 21,178,738	\$ 254,100,989	\$ 253,577,722	\$ 23,685,350
<b>LIABILITIES</b>				
Agency Fund Obligations	\$ 21,178,738	\$ 254,100,989	\$ 253,577,722	\$ 23,685,350

## **STATISTICAL SECTION**

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## **COUNTY OF LAKE STATISTICAL SECTION**

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

### **Financial Trends**

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

### **Operating Information**

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

**COUNTY OF LAKE  
GOVERNMENT-WIDE NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2008-2009	2009-2010	2010-2011	2011-2012
<b>Governmental Activities:</b>				
Net Investment in Capital Assets <sup>1</sup>	\$ 123,233,208	\$ 127,764,406	\$ 129,759,766	\$ 127,708,334
Restricted	37,737,244	34,348,436	41,329,661	43,606,529
Unrestricted	30,706,166	28,232,351	29,428,896	30,017,634
Total Governmental Activities Net Position	<u>\$ 191,676,618</u>	<u>\$ 190,345,193</u>	<u>\$ 200,518,323</u>	<u>\$ 201,332,497</u>
<b>Business-Type Activities:</b>				
Net Investment in Capital Assets	\$ 5,224,410	\$ 5,290,950	\$ 4,955,759	\$ 4,820,394
Restricted	4,377,906	4,648,601	4,601,544	-
Unrestricted	(1,586,849)	(2,800,818)	(3,246,244)	1,361,889
Total Business-Type Activities Net Position	<u>\$ 8,015,467</u>	<u>\$ 7,138,733</u>	<u>\$ 6,311,059</u>	<u>\$ 6,182,283</u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	\$ 128,457,618	\$ 133,055,356	\$ 134,715,525	\$ 132,528,728
Restricted	42,115,150	38,997,037	45,931,205	43,606,529
Unrestricted	29,119,317	25,431,533	26,182,652	31,379,523
Total Primary Government Net Position <sup>2</sup>	<u>\$ 199,692,085</u>	<u>\$ 197,483,926</u>	<u>\$ 206,829,382</u>	<u>\$ 207,514,780</u>
Percent of Increase (Decrease) in Primary Government Net Position	4.88%	-1.11%	4.73%	0.33%

Notes:

<sup>1</sup> Capital assets include land, easements, infrastructure, construction in progress, structures and improvements, and equipment

<sup>2</sup> Accounting standards require that net position be reported in three components in the government-wide financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when an external party, such as the state or federal government, places a restriction on how the resources may be used, or through enabling legislation enacted by the County.

Fiscal Year					
2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
\$ 132,157,699	\$ 139,735,646	\$ 141,165,157	\$ 147,363,850	\$ 154,491,286	\$ 159,250,256
46,229,210	58,774,579	59,947,580	60,240,953	63,372,538	72,937,402
34,954,306	22,045,340	(31,119,468)	(28,318,120)	(34,337,436)	(43,801,385)
<u>\$ 213,341,215</u>	<u>\$ 220,555,565</u>	<u>\$ 169,993,269</u>	<u>\$ 179,286,683</u>	<u>\$ 183,526,388</u>	<u>\$ 188,386,273</u>
\$ 4,515,458	\$ 5,461,380	\$ 5,476,880	\$ 6,052,327	\$ 5,937,701	\$ 6,155,201
-	-	-	-	-	-
1,910,311	1,308,741	905,974	7,020,242	9,957,413	15,159,245
<u>\$ 6,425,769</u>	<u>\$ 6,770,121</u>	<u>\$ 6,382,854</u>	<u>\$ 13,072,569</u>	<u>\$ 15,895,114</u>	<u>\$ 21,314,446</u>
\$ 136,673,157	\$ 145,197,026	\$ 146,642,037	\$ 153,416,177	\$ 160,428,987	\$ 165,405,457
46,229,210	58,774,579	59,947,580	60,240,953	63,372,538	72,937,402
36,864,617	23,354,081	(30,213,494)	(21,297,878)	(24,380,023)	(28,642,140)
<u>\$ 219,766,984</u>	<u>\$ 227,325,686</u>	<u>\$ 176,376,123</u>	<u>\$ 192,359,252</u>	<u>\$ 199,421,502</u>	<u>\$ 209,700,719</u>
5.90%	3.44%	-22.41%	9.06%	3.67%	5.15%

**COUNTY OF LAKE  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2008-2009	2009-2010	2010-2011	2011-2012
<b>EXPENSES</b>				
Governmental Activities:				
General Government	\$ 15,191,663	\$ 14,123,720	\$ 11,993,533	\$ 13,378,397
Public Protection	37,770,494	36,406,853	35,912,625	34,497,620
Public Ways and Facilities	15,298,651	15,710,332	15,922,559	15,962,568
Health and Sanitation	29,294,683	24,636,130	22,820,937	24,367,096
Public Assistance	38,139,448	37,990,878	39,943,808	39,828,753
Education	1,328,710	1,259,325	1,255,839	1,220,056
Recreational and Cultural Services	1,425,587	1,419,818	1,473,657	1,576,138
Debt Service:				
Interest and Fiscal Charges	836,875	691,874	632,157	1,178,234
Total Governmental Activities Expense	139,286,111	132,238,930	129,955,115	132,008,862
Business-Type Activities:				
Solid Waste Management	2,713,001	2,536,356	2,469,243	2,211,157
Total Primary Government Expenses	<u>\$ 141,999,112</u>	<u>\$ 134,775,286</u>	<u>\$ 132,424,358</u>	<u>\$ 134,220,019</u>
<b>PROGRAM REVENUES</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 4,247,868	\$ 4,112,277	\$ 3,024,021	\$ 4,626,453
Public Protection	4,552,776	4,056,989	4,173,442	5,536,892
Public Ways and Facilities	8,083,963	7,775,941	9,788,016	6,991,945
Health and Sanitation	7,461,033	9,332,628	6,885,409	8,065,592
Public Assistance	116,815	329,422	2,755,571	2,633,758
Education	24,953	23,773	22,965	61,346
Recreational and Cultural	10,179	34,300	34,782	31,989
Operating Grants and Contributions	69,921,581	61,741,466	77,928,429	68,923,497
Capital Grants and Contributions	4,017,714	4,216,888	33,146	-
Total Governmental Activities				
Program Revenues	98,436,882	91,623,684	104,645,781	96,871,472
Business-Type Activities:				
Charges for Services:				
Solid Waste Management	1,604,137	1,560,729	1,422,835	1,950,735
Operating Grants and Contributions	78,599	29,296	117,700	-
Capital Grants and Contributions	50,915	-	-	43,557
Total Business-Type Activities				
Program Revenues	1,733,651	1,590,025	1,540,535	1,994,292
Total Primary Government				
Program Revenues	<u>\$ 100,170,533</u>	<u>\$ 93,213,709</u>	<u>\$ 106,186,316</u>	<u>\$ 98,865,764</u>
<b>NET (EXPENSE) REVENUE<sup>1</sup></b>				
Governmental Activities	\$ (40,849,229)	\$ (40,615,246)	\$ (25,309,334)	\$ (35,137,390)
Business-Type Activities	(979,350)	(946,331)	(928,708)	(216,865)
Total Primary Government Net Expense	<u>\$ (41,828,579)</u>	<u>\$ (41,561,577)</u>	<u>\$ (26,238,042)</u>	<u>\$ (35,354,255)</u>

Fiscal Year					
2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
\$ 11,277,248	\$ 11,881,773	\$ 10,799,649	\$ 11,857,357	\$ 12,508,199	\$ 14,859,681
35,548,919	37,962,106	37,276,431	48,942,512	42,163,755	45,346,446
12,783,460	13,223,197	13,601,346	15,245,885	14,593,617	14,350,582
24,043,204	24,652,711	25,795,685	26,374,767	26,450,525	28,496,879
40,115,108	41,164,775	40,500,099	43,073,851	44,217,861	46,382,793
1,342,771	1,270,546	1,206,245	1,219,463	1,273,021	1,343,219
1,678,444	1,660,156	1,783,520	1,818,386	2,294,310	2,202,803
557,357	622,320	580,154	558,711	688,474	268,660
127,346,511	132,437,584	131,543,129	149,090,932	144,189,762	153,251,063
2,364,280	2,375,976	2,540,963	10,302,059	2,698,017	5,187,554
<u>\$ 129,710,791</u>	<u>\$ 134,813,560</u>	<u>\$ 134,084,092</u>	<u>\$ 159,392,991</u>	<u>\$ 146,887,779</u>	<u>\$ 158,438,617</u>
\$ 4,840,325	\$ 4,558,630	\$ 4,361,897	\$ 5,388,446	\$ 6,424,110	\$ 5,222,630
5,467,359	5,532,455	5,573,162	7,296,105	5,217,207	5,148,506
7,357,706	7,715,549	7,368,399	6,891,268	9,216,775	9,580,107
8,734,527	9,382,913	8,535,190	7,404,252	8,943,310	9,518,550
2,721,283	2,752,479	1,481,046	2,189,311	916,219	1,804,205
65,823	59,309	51,557	124,310	65,094	75,094
20,955	27,660	24,914	699,609	36,932	109,000
76,189,444	77,383,334	79,675,548	89,602,737	84,606,319	86,356,112
-	1,013,855	2,117,077	4,303,438	4,164,473	3,670,562
105,397,422	108,426,184	109,188,790	123,899,476	119,590,439	121,484,766
2,490,604	2,611,102	2,851,946	16,870,395	5,258,022	10,118,712
36,787	24,500	79,082	52,208	75,845	81,815
-	-	-	-	-	-
2,527,391	2,635,602	2,931,028	16,922,603	5,333,867	10,200,527
<u>\$ 107,924,813</u>	<u>\$ 111,061,786</u>	<u>\$ 112,119,818</u>	<u>\$ 140,822,079</u>	<u>\$ 124,924,306</u>	<u>\$ 131,685,293</u>
\$ (21,949,089)	\$ (24,011,400)	\$ (22,354,339)	\$ (25,191,456)	\$ (24,599,323)	\$ (31,766,297)
163,111	259,626	390,065	6,620,544	2,635,850	5,012,973
<u>\$ (21,785,978)</u>	<u>\$ (23,751,774)</u>	<u>\$ (21,964,274)</u>	<u>\$ (18,570,912)</u>	<u>\$ (21,963,473)</u>	<u>\$ (26,753,324)</u>

**COUNTY OF LAKE  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2008-2009	2009-2010	2010-2011	2011-2012
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 29,628,849	\$ 29,263,637	\$ 29,018,335	\$ 25,610,938
Franchise Taxes <sup>2</sup>	739,433	817,420	651,036	634,372
Sales and Use Taxes	5,486,727	4,062,900	2,031,078	2,616,216
Transient Occupancy Taxes	806,190	676,696	589,880	601,015
Transfer Taxes	240,480	224,239	198,620	218,292
Aircraft Taxes	19,737	23,113	-	-
Timber Yield Taxes	1,254	38	-	-
Other Taxes	-	-	22,940	19,244
Grants and Contributions - Unrestricted	-	-	-	-
Tobacco Settlement	654,848	590,621	-	-
Unrestricted Interest and Investment Earnings	2,016,232	1,683,059	872,240	910,958
Miscellaneous	1,587,576	1,942,098	1,868,131	10,187
Transfers	-	-	-	-
Extraordinary Items	-	-	-	-
Total Governmental Activities	41,181,326	39,283,821	35,252,260	30,621,222
Business-Type Activities:				
Taxes:				
Franchise Taxes	-	-	37,036	31,357
Unrestricted Interest and Investment Earnings	71,978	61,166	56,490	56,732
Miscellaneous	-	8,431	7,508	-
Transfers	-	-	-	-
Total Business-Type Activities	71,978	69,597	101,034	88,089
Total Primary Government	<u>\$ 41,253,304</u>	<u>\$ 39,353,418</u>	<u>\$ 35,353,294</u>	<u>\$ 30,709,311</u>
<b>CHANGE IN NET POSITION</b>				
Governmental Activities	\$ 332,097	\$ (1,331,425)	\$ 9,942,926	\$ (4,516,168)
Business-Type Activities	(907,372)	(876,734)	(827,674)	(128,776)
Total Primary Government	<u>\$ (575,275)</u>	<u>\$ (2,208,159)</u>	<u>\$ 9,115,252</u>	<u>\$ (4,644,944)</u>

<sup>1</sup>Net expense is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program.

<sup>2</sup>Franchise taxes were reclassified as franchise fees and included in charges for service starting in fiscal year 2017.

Source: Basic financial statements and Comprehensive Annual Financial Reports - County of Lake, California

Fiscal Year					
2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
\$ 24,594,160	\$ 26,108,493	\$ 25,897,761	\$ 26,814,811	\$ 27,238,046	\$ 26,918,739
625,391	641,074	658,846	670,775	-	-
2,758,221	2,711,513	2,658,395	2,606,804	3,402,000	2,986,236
441,277	660,370	592,113	713,172	449,485	480,853
282,173	279,410	289,069	378,031	497,047	462,271
-	-	-	-	-	-
-	-	-	-	-	-
20,285	17,197	19,029	25,806	48,231	281,937
-	-	-	-	-	-
-	-	-	-	-	-
843,435	800,784	723,283	829,984	1,454,567	2,435,560
6,964	6,909	14,672	2,445,487	249,652	-
14,200	-	-	-	-	-
-	-	-	-	(4,500,000)	-
29,586,106	31,225,750	30,853,168	34,484,870	28,839,028	33,565,596
41,433	42,734	-	-	-	-
53,142	41,992	32,489	68,971	184,564	404,359
-	-	1,141	200	2,131	556
(14,200)	-	-	-	-	-
80,375	84,726	33,630	69,171	186,695	404,915
<u>\$ 29,666,481</u>	<u>\$ 31,310,476</u>	<u>\$ 30,886,798</u>	<u>\$ 34,554,041</u>	<u>\$ 29,025,723</u>	<u>\$ 33,970,511</u>
\$ 7,637,017	\$ 7,214,350	\$ 8,498,829	\$ 9,293,414	\$ 4,239,705	\$ 1,799,299
243,486	344,352	423,695	6,689,715	2,822,545	5,417,888
<u>\$ 7,880,503</u>	<u>\$ 7,558,702</u>	<u>\$ 8,922,524</u>	<u>\$ 15,983,129</u>	<u>\$ 7,062,250</u>	<u>\$ 7,217,187</u>

**COUNTY OF LAKE  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2008-2009	2009-2010	2010-2011 <sup>1</sup>	2011-2012
<b>General Fund:</b>				
Reserved	\$ 8,258,876	\$ 7,250,910		
Unreserved	20,424,700	23,155,570		
Total General Fund	<u>\$ 28,683,576</u>	<u>\$ 30,406,480</u>		
<b>All Other Governmental Funds:</b>				
Reserved	\$ 15,204,419	\$ 12,160,247		
Unreserved, Reported in:				
Special Revenue Funds	22,695,550	17,425,919		
Capital Projects Funds	(878,517)	3,665,185		
Debt Service Funds	715,792	-		
Total All Other Governmental Funds	<u>\$ 37,737,244</u>	<u>\$ 33,251,351</u>		
<b>General Fund:</b>				
Nonspendable			\$ 6,916,240	\$ 7,088,602
Restricted			-	-
Assigned			25,647,051	17,126,695
Unassigned			-	8,591,788
Total General Fund			<u>\$ 32,563,291</u>	<u>\$ 32,807,085</u>
<b>All Other Governmental Funds:</b>				
Nonspendable			\$ 150,791	\$ 630,337
Restricted			41,772,626	43,606,529
Committed			28,296	-
Assigned			4,248,478	2,503,527
Unassigned			(4,870,530)	(124,491)
Total All Other Governmental Funds			<u>\$ 41,329,661</u>	<u>\$ 46,615,902</u>

<sup>1</sup> GASB Statement No. 54, which became effective in fiscal year 2010-11, requires that fund balance on a prospective basis as either: nonspendable, restricted, committed, assigned, or unassigned.

Source: Basic Financial Statements and Comprehensive Annual Financial Reports - County of Lake, California



Fiscal Year					
2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
\$ 6,706,342	\$ 5,885,169	\$ 6,718,908	\$ 6,848,773	\$ 5,294,496	\$ 5,086,145
2,015,629	2,026,420	2,033,988	2,042,576	2,059,664	5,669,608
11,109,483	11,165,436	9,512,076	9,961,858	10,234,960	14,113,733
11,104,600	11,435,483	12,483,872	8,807,500	9,295,772	10,482,492
<u>\$ 30,936,054</u>	<u>\$ 30,512,508</u>	<u>\$ 30,748,844</u>	<u>\$ 27,660,707</u>	<u>\$ 26,884,892</u>	<u>\$ 35,351,978</u>
\$ 122,305	\$ 119,531	\$ 135,274	\$ 112,159	\$ 117,605	\$ 106,543
52,011,370	54,858,345	57,913,592	59,728,805	57,298,748	66,004,734
-	-	3,911,413	-	-	-
1,434,109	725,232	-	4,472,252	3,554,381	-
-	-	-	(10,001)	(705)	-
<u>\$ 53,567,784</u>	<u>\$ 55,703,108</u>	<u>\$ 61,960,279</u>	<u>\$ 64,303,215</u>	<u>\$ 60,970,029</u>	<u>\$ 66,111,277</u>

**COUNTY OF LAKE  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2008-2009	2009-2010	2010-2011	2011-2012
<b>REVENUES</b>				
Taxes	\$ 33,579,002	\$ 31,908,945	\$ 32,015,353	\$ 29,700,077
Licenses, Fees, and Permits	2,439,661	2,339,530	2,158,435	1,526,890
Fines, Forfeits, and Penalties	1,919,549	1,603,104	1,521,854	1,403,169
Use of Money and Property	1,964,120	1,536,185	853,184	889,588
Aid from Other Governments	72,864,304	71,060,080	78,611,207	70,908,303
Charges for Services	20,728,894	22,080,881	23,772,486	23,775,821
Miscellaneous	2,431,929	2,200,331	1,845,524	1,479,837
Total Revenues	135,927,459	132,729,056	140,778,043	129,683,685
<b>EXPENDITURES</b>				
Current:				
General Government	13,759,431	12,682,018	11,119,073	12,797,285
Public Protection	35,961,703	35,067,956	34,420,143	33,628,059
Public Ways and Facilities	13,566,794	14,010,963	13,634,029	14,348,741
Health and Sanitation	24,489,667	19,629,888	18,868,614	20,075,903
Public Assistance	37,865,392	37,562,101	39,569,238	39,726,870
Education	1,283,321	1,201,881	1,201,233	1,183,787
Recreational and Cultural Studies	1,230,385	1,245,487	1,261,247	1,397,606
Capital Outlay	8,687,735	12,020,157	9,330,350	8,288,210
Debt Service:				
Principal	3,201,617	1,789,286	1,844,738	1,518,663
Interest	855,514	708,752	664,653	1,026,808
Total Expenditures	140,901,559	135,918,489	131,913,318	133,991,932
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,974,100)	(3,189,433)	8,864,725	(4,308,247)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	275,688	1,455
Issuance of Debt	16,910	435,249	864,504	4,500,000
Transfers in	5,835,007	12,540,849	3,733,489	6,547,693
Transfers out	(5,834,507)	(12,540,849)	(3,733,489)	(6,547,693)
Total Other Financing Sources (Uses)	17,410	435,249	1,140,192	4,501,455
Extraordinary Item	-	-	-	5,330,342
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (4,956,690)</u>	<u>\$ (2,754,184)</u>	<u>\$ 10,004,917</u>	<u>\$ 5,523,550</u>
Debt Service as a Percentage of Noncapital Expenditures	3.07%	2.02%	2.05%	2.02%

Source: Basic Financial Statements and Comprehensive Annual Financial Reports - County of Lake, California

Fiscal Year					
2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
\$ 28,721,507	\$ 30,418,057	\$ 30,115,213	\$ 31,209,399	\$ 31,634,809	\$ 31,130,036
1,586,157	1,639,524	1,699,666	1,967,941	3,124,394	3,477,220
1,350,796	2,042,188	1,560,248	1,461,986	1,713,830	1,499,775
821,702	784,963	713,471	820,051	1,188,482	2,141,245
73,588,236	79,582,404	82,387,655	91,814,841	87,997,207	92,903,168
24,526,056	24,995,147	22,667,699	23,179,918	23,233,016	23,910,736
1,667,602	1,445,443	1,488,712	5,578,606	2,958,385	2,568,697
132,262,056	140,907,726	140,632,664	156,032,742	151,850,123	157,630,877
10,449,689	11,203,454	10,576,814	12,817,996	13,911,565	15,437,371
34,807,737	36,944,048	37,162,182	48,448,648	41,530,511	40,583,108
12,738,425	13,513,470	12,035,859	13,318,893	12,269,374	13,408,898
19,869,322	20,819,573	22,035,206	22,681,757	23,838,849	23,846,187
40,029,613	40,990,894	40,606,732	43,339,158	43,859,389	44,198,478
1,311,071	1,232,850	1,184,220	1,207,732	1,243,433	1,233,490
1,497,568	1,481,271	1,625,202	1,662,321	2,093,634	1,976,574
8,777,884	10,757,313	6,665,572	11,317,456	10,663,231	5,838,131
1,514,425	1,602,478	1,656,857	1,670,480	1,473,823	3,575,516
579,292	648,112	600,290	555,936	700,613	352,373
131,575,026	139,193,463	134,148,934	157,020,377	151,584,422	150,450,126
687,030	1,714,263	6,483,730	(987,635)	265,701	7,180,751
2,254	289	9,777	242,434	34,572	1,013,108
-	-	-	-	90,726	-
2,887,464	3,374,574	5,460,257	5,597,742	2,501,764	2,128,511
(2,867,682)	(3,374,574)	(5,460,257)	(5,597,742)	(2,501,764)	(2,128,511)
22,036	289	9,777	242,434	125,298	1,013,108
-	-	-	-	(4,500,000)	-
\$ 709,066	\$ 1,714,552	\$ 6,493,507	\$ (745,201)	\$ (4,109,001)	\$ 8,193,859
1.71%	1.75%	1.77%	1.49%	1.56%	2.77%

**COUNTY OF LAKE  
ASSESSED VALUE OF TAXABLE PROPERTY AND ACTUAL VALUE OF PROPERTY  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Secured</u>	<u>Unsecured</u>	<u>Unitary</u>	<u>Exempt</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2008-2009	\$ 6,924,655,626	\$ 195,061,720	\$ 121,130,023	\$ (280,850,654)	\$ 6,959,996,715	1.00000
2009-2010	6,641,695,302	188,631,595	121,130,023	(289,390,449)	6,662,066,471	1.00000
2010-2011	6,272,928,356	156,777,045	124,016,981	(302,459,343)	6,251,263,039	1.00000
2011-2012	6,485,607,299	154,746,722	133,434,108	(304,283,452)	6,469,504,677	1.00000
2012-2013	6,464,567,588	150,878,760	136,510,915	(297,286,619)	6,454,670,644	1.00000
2013-2014	6,416,886,271	151,069,565	141,146,170	(304,968,452)	6,404,133,554	1.00000
2014-2015	6,386,528,975	153,800,251	144,387,077	(307,826,291)	6,376,890,012	1.00000
2015-2016	6,451,226,402	150,226,780	155,794,317	(313,955,828)	6,443,291,671	1.00000
2016-2017	6,358,908,461	155,175,048	176,462,118	(320,975,888)	6,369,569,739	1.00000
2017-2018	6,586,326,214	162,484,428	186,607,175	(323,294,528)	6,612,123,289	1.00000

Source: Auditor-Controller, Property Tax Division

**COUNTY OF LAKE  
PROPERTY TAX RATE – DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

Fiscal Year	Property Tax Rate Per \$100 of Assessed Value		Distribution of General Levy Property Taxes				
	Low	High	County	Cities	School District	Special District	Total Rate
2008-2009	1.00000	1.10080	26.10	2.41	57.91	13.59	100.00
2009-2010	1.00000	1.10080	26.10	2.41	57.95	13.55	100.00
2010-2011	1.00000	1.10253	26.09	2.37	58.00	13.53	100.00
2011-2012	1.00000	1.11674	26.09	2.35	58.07	13.49	100.00
2012-2013	1.00000	1.09600	26.09	2.32	58.14	13.45	100.00
2013-2014	1.00000	1.09600	26.20	2.33	58.04	13.43	100.00
2014-2015	1.00000	1.09497	26.21	2.31	58.07	13.41	100.00
2015-2016	1.00000	1.13220	26.22	2.30	58.09	13.40	100.00
2016-2017	1.00000	1.12899	26.20	2.36	58.05	13.39	100.00
2017-2018	1.00000	1.12967	26.26	2.33	58.03	13.38	100.00

(1) Rates shown represent a weighted average of the various school district tax rate areas within the County of Lake

Source: Auditor-Controller, Property Tax Division

**COUNTY OF LAKE  
PRINCIPAL PROPERTY TAXPAYERS  
JUNE 30, 2017 AND JUNE 30, 2008**

**June 30, 2018:**

Taxpayers	Type of Business	Net Assessed Secured Property Value	Percentage of Total Net Assessed Value	Total Secured Tax Levy Fiscal Year 2016-17	Percentage of Total Secured Tax Levy Fiscal Year 2016-17
Geysers Power Company LLC	Utility	\$ 373,501,432	5.61 %	\$ 4,026,613	4.99 %
Pacific Gas & Electric	Utility	156,356,916	2.35	1,725,559	2.14
Bohn Valley Inc.	Real Estate	43,250,000	0.65	469,913	0.58
Bottle Rock Power Company	Utility	34,404,168	0.52	370,718	0.46
Brassfield Jerry G Trustee	Agriculture	32,148,025	0.48	362,220	0.45
Gallo Vineyards, Inc.	Agriculture	28,362,612	0.43	321,248	0.40
Safeway Inc.	Retail	17,788,857	0.27	206,217	0.26
Worldmark The Club	Resort	19,074,938	0.29	203,373	0.25
Heart Consciousness Church Inc	Religious	16,832,373	0.25	182,874	0.23
Guenoc Winery Inc	Agriculture	14,601,757	0.22	158,234	0.20
Ten Largest Taxpayers		736,321,078	11.05	8,026,969	9.94
All Other Taxpayers		5,924,642,181	88.95	72,711,416	90.06
Total		<u>\$ 6,660,963,259</u>	<u>100.00 %</u>	<u>\$ 80,738,385</u>	<u>100.00 %</u>

**June 30, 2009:**

Taxpayers	Type of Business	Net Assessed Secured Property Value	Percentage of Total Net Assessed Value	Total Secured Tax Levy Fiscal Year 2007-08	Percentage of Total Secured Tax Levy Fiscal Year 2007-08
Geysers Power Company LLC	Utility	\$ 372,274,626	5.53 %	\$ 3,956,874	4.72 %
Pacific Gas & Electric Co.	Utility	85,921,875	1.28	930,977	1.11
Bottle Rock Power Company	Utility	31,750,693	0.47	337,408	0.40
Smith M M Trustee	Resort	22,391,649	0.33	231,909	0.28
Pacific Bell Telephone Company	Utility	17,648,613	0.26	191,074	0.23
Worldmark The Club	Resort	17,019,643	0.25	186,701	0.22
Brassfield Jerry G & Shann M Co-Tr	Agriculture	16,004,682	0.24	171,096	0.20
Beckstoffer Vineyards X Inc.	Agriculture	14,358,047	0.21	148,295	0.18
Guenoc Winery Inc.	Agriculture	12,880,515	0.19	137,929	0.16
Safeway Inc	Retail	12,000,000	0.18	133,695	0.16
Ten Largest Taxpayers		602,250,343	8.94	6,425,957	7.67
All Other Taxpayers		6,133,593,189	91.06	77,406,951	92.33
Total		<u>\$ 6,735,843,532</u>	<u>100.00 %</u>	<u>\$ 83,832,908</u>	<u>100.00 %</u>

Source: Auditor-Controller

**COUNTY OF LAKE  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied	Collections within Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2008-2009	\$ 78,438,800	\$ 72,875,870	92.91 %	\$ 4,540,007	\$ 77,415,877	98.70 %
2009-2010	78,643,345	73,289,493	93.19	4,287,851	77,577,344	98.64
2010-2011	77,156,892	72,753,236	94.29	2,722,747	75,475,983	97.82
2011-2012	77,881,542	73,379,476	94.22	1,592,897	74,972,373	96.26
2012-2013	78,069,672	73,455,051	94.09	1,737,894	75,192,945	96.32
2013-2014	77,086,454	72,682,389	94.29	413,300	73,095,689	94.82
2014-2015	76,839,060	72,528,799	94.39	1,006,464	73,535,263	95.70
2015-2016	76,548,437	72,097,230	94.19	376,391	72,473,621	94.68
2016-2017	78,293,354	73,503,113	93.88	293,534	73,796,647	94.26
2017-2018	81,946,765	76,725,078	93.63	842,624	77,567,701	94.66

Source: Auditor-Controller

**COUNTY OF LAKE  
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE  
LAST TEN FISCAL YEARS**

Sales Tax							Annual Report Tax and Assmt
Fiscal Year	Local	In-Lieu	Public Safety	Motor Vehicle In-Lieu Taxes	Property Tax	Total	
2008-2009	\$ 2,151,152	\$ 622,269	\$ 2,555,488	\$ 6,763,765	\$ 18,774,227	\$ 30,866,901	\$ 28,311,413
2009-2010	1,610,599	727,854	2,461,997	6,766,796	18,260,290	29,827,536	27,365,539
2010-2011	1,790,652	394,926	2,482,403	6,667,341	18,081,302	29,416,624	26,934,221
2011-2012	1,835,086	645,430	2,574,800	6,578,037	15,633,257	27,266,610	24,691,810
2012-2013	2,056,878	701,342	2,803,027	6,551,325	16,036,647	28,149,219	25,346,192
2013-2014	1,998,735	712,778	2,837,615	6,639,896	17,801,600	29,990,625	27,153,009
2014-2015	2,011,624	656,771	2,992,627	6,499,495	17,688,673	29,849,191	26,856,564
2015-2016	2,439,152	566,514	2,821,198	6,557,728	18,751,066	31,135,659	28,314,460
2016-2017	3,003,138	-	2,900,456	6,470,942	19,504,945	31,879,481	28,979,025
2017-2018	2,986,236	-	3,117,835	6,697,619	18,411,176	31,212,866	28,095,031

Source: Auditor-Controller



**COUNTY OF LAKE  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Years	Governmental Activities				
	General Obligation	Special Assessment	Loans Payable	Revenue Bonds	Certificates of Participation
2008/2009	\$ 691,000	\$ 1,370,000	\$ 14,373,404	\$ -	\$ 2,738,496
2009/2010	550,000	927,000	13,656,377	-	2,702,396
2010/2011	405,000	451,000	13,334,843	-	2,664,296
2011/2012	253,000	404,000	12,056,511	4,500,000	2,625,396
2012/2013	144,000	3,586,000	10,740,086	4,500,000	2,584,396
2013/2014	75,000	304,000	9,386,407	4,415,000	2,541,596
2014/2015	-	249,000	7,994,151	4,325,000	2,496,996
2015/2016	-	192,000	6,517,069	4,235,000	2,450,596
2016/2017	-	131,000	6,183,474	4,045,000	2,402,096
2017/2018	-	67,000	2,722,558	4,045,000	2,351,496

Governmental Activities					
Capital Lease Payable	Total	Total Primary Government	Percentage of Personal	Per Capita	
\$ 16,910	\$ 19,189,810	\$ 19,189,810	0.92%	300	
-	17,835,773	17,835,773	0.85%	278	
-	16,855,139	16,855,139	0.79%	260	
-	19,838,907	19,838,907	1.12%	314	
-	21,554,482	21,554,482	1.19%	284	
-	16,722,003	16,722,003	0.86%	258	
-	15,065,147	15,065,147	0.73%	232	
-	13,394,665	13,394,665	0.61%	208	
-	12,761,570	12,856,570	0.48%	198	
-	9,186,054	9,186,054	n/a	141	

**COUNTY OF LAKE  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

Fiscal Years	General Bonded Debt Outstanding			Percentage of Personal Income	Percentage of Total Taxable Assessed Value	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Total			
2008/2009	\$ 691,000	\$ 1,370,000	\$ 2,061,000	0.10%	0.03%	32
2009/2010	550,000	927,000	1,477,000	0.07%	0.02%	23
2010/2011	405,000	451,000	856,000	0.04%	0.01%	13
2011/2012	253,000	404,000	657,000	0.04%	0.01%	10
2012/2013	144,000	356,000	500,000	0.03%	0.01%	8
2013/2014	75,000	304,000	379,000	0.02%	0.01%	6
2014/2015	-	249,000	249,000	0.01%	0.00%	4
2015/2016	-	192,000	192,000	0.01%	0.00%	3
2016/2017	-	131,000	131,000	0.00%	0.00%	2
2017/2018	-	67,000	67,000	n/a	0.00%	1

**COUNTY OF LAKE  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS ENDED JUNE 30, 2017**

	2009	2010	2011	2012
Total Assessed Value of All Real and Personal Property	<u>\$ 7,240,847,369</u>	<u>\$ 6,951,456,920</u>	<u>\$ 6,553,722,382</u>	<u>\$ 6,773,788,129</u>
Debt Limit Percentage	<u>1.25%</u>	<u>1.25%</u>	<u>1.25%</u>	<u>1.25%</u>
Debt Limit	\$ 90,510,592	\$ 86,893,212	\$ 81,921,530	\$ 84,672,352
Total Net Debt Applicable to Limit	<u>2,061,000</u>	<u>1,477,000</u>	<u>856,000</u>	<u>657,000</u>
Legal Debt Margin	<u>\$ 88,449,592</u>	<u>\$ 85,416,212</u>	<u>\$ 81,065,530</u>	<u>\$ 84,015,352</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.28%	1.70%	1.04%	0.78%

2013	2014	2015	2016	2017	2018
<u>\$ 6,751,957,263</u>	<u>\$ 6,709,102,006</u>	<u>\$ 6,684,716,303</u>	<u>\$ 6,757,247,499</u>	<u>\$ 6,690,545,627</u>	<u>\$ 7,168,538,774</u>
1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
\$ 84,399,466	\$ 83,863,775	\$ 83,558,954	\$ 84,465,594	\$ 83,631,820	\$ 89,606,735
500,000	379,000	249,000	192,000	131,000	67,000
<u>\$ 83,899,466</u>	<u>\$ 83,484,775</u>	<u>\$ 83,309,954</u>	<u>\$ 84,273,594</u>	<u>\$ 83,500,820</u>	<u>\$ 89,539,735</u>
0.59%	0.45%	0.30%	0.23%	0.16%	0.07%

**COUNTY OF LAKE  
DEMOGRAPHIC AND ECONOMIC INDICATORS  
LAST TEN FISCAL YEARS**

(1) Year	(2) Population	(3) Personal Income	(3) Per Capita Personal Income	(4) School Enrollment	(5) Unemployment Rate
2009	64,025	\$ 2,080,699,000	31,874	9,663	14.7%
2010	64,053	2,107,287,000	32,543	8,857	15.8%
2011	64,784	2,146,801,000	33,375	8,734	16.0%
2012	63,266	1,768,039,281	46,477	9,223	13.7%
2013	64,531	1,817,010,275	47,401	9,145	11.9%
2014	64,699	1,939,527,656	49,985	9,016	9.1%
2015	64,918	2,061,337,141	52,651	9,165	7.6%
2016	64,306	2,197,492,012	55,987	9,230	6.9%
2017	64,945	2,662,533,000	64,246	9,435	5.7%
2018	65,081	N/A	N/A	9,549	5.6%

Detail of estimated population, as of January 1, 2018

Incorporated Cities:

Clearlake	15,917
Lakeport	5,134
Total Incorporated	21,051
Unincorporated	44,030
Total Population	65,081

Notes:

(1) Calendar year

Sources:

- (2) California Department of Finance, Demographic Research Unit as of January 1
- (3) U.S. Department of Commerce, Bureau of Economic Analysis
- (4) California Department of Education
- (5) Employment Development Department, Labor Market Information Division as of June 30

**COUNTY OF LAKE  
PRINCIPAL EMPLOYERS**

	Fiscal Year 2017/2018			Fiscal Year 2008/2009		
	Permanent Employees	Rank	Percentage of Total County Employment	Permanent Employees	Rank	Percentage of Total County Employment
<b>Top 10</b>						
County of Lake	982	1	17.07 %	866	1	13.64 %
Konocti Unified School District	449	2	7.81	358	3	5.64
Sutter Lakeside Hospital	403	3	7.01	450	2	7.09
Robinson Rancheria Resort & Casino	320	4	5.56	300	7	4.73
Twin Pine Casino	281	5	4.89	249	9	3.92
Calpine Corp.	280	6	4.87	352	5	5.54
Wal-Mart	243	7	4.22	303	6	4.77
Kelseyville Unified School District	230	8	4.00	-		-
Middletown Unified School District	195	9	3.39	-		-
Running Creek Casino	185	10	3.22	-		-
Konocti Vista Casino Resort	-		-	228	10	3.59
St. Helena Hospital	-		-	354	4	5.58
Shannon Ranches Inc.	-		-	250	8	3.94
Total Top 10	<u>3,568</u>		<u>62.03 %</u>	<u>3,710</u>		<u>58.43 %</u>

Source: Lake County Marketing Department as of 6/30/18

**COUNTY OF LAKE  
COUNTY EMPLOYEES BY FUNCTION/PROGRAM**

	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>
Air Quality	5.000	5.000	5.000	5.000
Economic Development	5.800	5.800	4.300	4.800
Flood Control	5.000	5.000	6.000	6.000
General Government	120.450	117.350	111.950	108.950
Health Services	152.300	124.050	122.300	121.900
Public Assistance	198.000	197.500	219.500	210.000
Public Protection	362.750	357.150	348.200	333.650
Public Ways	34.000	33.000	33.000	33.000
Recreation, Culture, and Education	25.700	23.700	23.700	23.700
Solid Waste	18.800	19.000	15.000	14.000
Water/Wastewater Utility	41.000	42.000	43.000	42.000
	<u>968.800</u>	<u>929.550</u>	<u>931.950</u>	<u>903.000</u>

*Notes:*

Allocated positions on July 1 of each fiscal year.

Full time equivalent, permanent positions only, split department employee shown in home department.

*Source:*

Final Budget Book



<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
5.000	4.600	4.600	4.600	4.600	4.600
2.800	1.800	0.000	0.000	0.000	0.000
5.750	6.750	7.750	7.750	9.000	8.000
112.200	109.300	108.800	108.800	111.850	113.000
124.400	139.900	143.900	142.300	162.300	157.800
217.000	231.750	245.000	276.000	277.000	275.000
331.250	338.050	339.550	345.550	324.500	307.500
33.000	34.000	34.000	34.000	34.000	34.000
23.700	22.700	22.700	23.750	24.000	21.000
14.000	13.800	14.000	14.000	15.000	15.000
42.000	45.000	45.000	45.000	46.000	46.000
<u>911.100</u>	<u>947.650</u>	<u>965.300</u>	<u>1001.750</u>	<u>1008.250</u>	<u>981.900</u>

**COUNTY OF LAKE  
OPERATING INDICATORS BY DEPARTMENT/FUNCTION  
LAST TEN FISCAL YEARS**

Department/Function	2009	2010	2011	2012	2013
<b>Assessor</b>					
Total Number of Assessment Roll Units:					
Secured	63,154	63,154	63,141	63,093	63,082
Unsecured	7,898	7,898	7,792	7,454	7,155
<b>Community Development</b>					
Building Permits Issued	936	976	818	855	737
Building Inspections Conducted	4,734	3,336	2,632	2,681	1,311

Source: Community Development Department

<b>County Clerk/Auditor-Controller</b>					
Certified Copies of Confidential Marriage Licenses	18	15	16	14	14
Confidential Marriage Licenses	7	8	3	6	4
Deputy Commissioner for a Day	37	46	36	47	40
Fictitious Business Name Statements	513	516	552	542	467
Legal Document Assistant Filings	-	1	3	2	3
Marriage Ceremonies Performed	89	87	78	82	88
Notary Public Filings	40	41	41	32	35
Process Server Filings	6	9	8	11	3
Public Marriage Licenses	299	274	253	252	278
Unlawful Detainer Assistant Filings	1	-	-	2	1

All figures are based on a fiscal year calculation. The information provided is as of 06/30/18.  
The County Clerk's office is the primary source for information gathered

<b>District Attorney</b>					
Filed Infractions	41	26	47	53	17
Filed Felonies	761	739	883	868	1000
Filed Misdemeanors	2404	2135	2024	1797	1630
Number of Cases Received	4687	4317	4508	4754	5308
Total # of Cases Filed	3206	2900	2954	2718	2647

All figures are based on a calendar year calculation. The information provided is as of 12/31/17.  
The District Attorney's office is the primary source for information gathered.

<b>Probation</b>					
# of Adults Supervised	713	848	890	1,050	1,337
# of Juveniles Supervised	210	116	111	217	169
# of Informal Juvenile Cases	188	19	21	160	83
Avg Juvenile Hall Population	22	15	12	20	20
# of Adult Reports	848	736	740	1,028	1,109
# of Juvenile Reports	395	215	210	338	356
Civil Reports	n/a	n/a	n/a	-	-

All figures are based on a calendar year calculation. The information provided is as of 12/31/17.  
The Probation office is the primary source for information gathered

2014	2015	2016	2017	2018
63,079	63,042	63,002	62,949	62,902
7,330	7,440	7,489	8,136	8,436
691	826	2,004	6,683	1,746
2,922	2,753	3,562	7,250	4,396
36	15	20	15	28
14	7	10	12	17
36	38	25	21	13
508	462	496	414	485
1	2	2	3	1
112	83	80	109	87
42	38	47	41	50
8	5	8	5	5
299	258	268	270	278
1	1	1	1	-
15	38	24	n/a	n/a
1006	808	847	n/a	n/a
2165	1972	2478	n/a	n/a
5553	5374	5943	n/a	n/a
3186	2818	3349	n/a	n/a
1,186	1,568	1,620	n/a	n/a
121	108	179	n/a	n/a
185	194	144	n/a	n/a
14	9	6	n/a	n/a
909	801	919	n/a	n/a
226	263	186	n/a	n/a
-	-	1	n/a	n/a

**COUNTY OF LAKE  
OPERATING INDICATORS BY DEPARTMENT/FUNCTION (CONTINUED)  
LAST TEN FISCAL YEARS**

Department/Function	2009	2010	2011	2012	2013
<b>Public Services</b>					
<b>Parks &amp; Rec</b>					
Acreage	244	1,788	1,788	1,790	1,790
Playgrounds	12	12	12	12	12
Baseball/Softball Fields	4	4	4	4	4
Soccer/Football Fields	n/a	n/a	n/a	n/a	n/a
Tennis Courts	2	2	2	2	2
Public Pools	1	1	1	1	1
Community Centers	n/a	n/a	n/a	n/a	n/a
Veterans Buildings	1	1	1	1	1
Day Use and Camping Parks	23	24	24	25	25
Open Space Areas (County Developed)	1	1	1	1	1
<b>Solid Waste</b>					
Waste Recycled (tons per month)	3,000	3,000	3,000	2,240	2,184
Landfill Waste Disposal (tons per month)	4,150	4,052	3,400	2,475	4,681
<b>Museums</b>					
# of museums	2	2	2	2	2

Data is as of December 31 of each fiscal year.

Source: Lake County Public Services Department

**Library**

* Volumes in Collection	145,655	146,052	146,772	146,590	144,937
*Volumes Borrowed	223,268	247,510	246,948	163,907	122,611

All figures are based on a fiscal year calculation. The information provided is as of 06/30/18.

\*The information provided by the Library is from an automation system that belongs to Sonoma County Library and is printed from their circulation figures

**Public Works**

Streets (miles)	612	612	612	616	616
Streetlights	7	7	19	19	19
Traffic Signals	3	3	7	7	7
Seawalls	6	6	6	6	6
Bridges	113	118	118	118	122
Roads Heavy Equipment	54	52	48	48	47
Airport	1	1	1	1	1

All figures are based on a fiscal year calculation. The information provided is as of 06/30/18.

The Public Works office is the primary source for information gathered

2014	2015	2016	2017	2018
1,790	1,790	1,790	1,790	1,790
12	12	12	12	12
4	4	4	5	5
n/a	n/a	n/a	0	0
2	2	2	2	2
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
25	25	25	25	25
1	1	1	1	1
2,378	2,067	2,116	2,221	2,285
5,064	5,012	17,834	13,350	7,888
3	4	4	4	4
147,760	150,409	148,671	145,799	143,211
119,226	112,396	101,859	94,841	93,987
616	616	616	616	616
19	19	21	21	21
7	7	7	7	7
6	6	6	6	6
122	122	131	131	131
47	47	48	47	48
1	1	1	1	1

**COUNTY OF LAKE  
OPERATING INDICATORS BY DEPARTMENT/FUNCTION  
LAST TEN FISCAL YEARS**

Department/Function	2009	2010	2011	2012	2013
<b>Sheriffs Department</b>					
Stations	2	3	3	4	5
Jail and Detention Facilities	1	1	1	1	1
Cases Written	5,615	5,895	5,352	5,394	5,038
Dispatch Calls	52,990	51,240	53,137	58,868	54,408
Citations issued	608	501	514	346	422
Avg. Daily inmate population	224	227	212	264	308

All figures are based on a fiscal year calculation. The information provided is as of 06/30/18.  
The Sheriff's Office is the primary source for information gathered

**Special Districts**

**Water**

Water Mains (miles)	86	148	148	148	148
Pump Stations	21	21	21	21	21
Fire Hydrants	268	450	454	454	454
Storage Capacity (thous. of gallons)	3,912	3,902	3,902	3,902	4,002
Wells	15	19	20	22	22
Meters	4,283	4,330	4,330	4,330	4,330
Treatment Facilities	18	18	18	18	18

**Wastewater**

Collection System (mi)	316	316	316	316	316
Force Mains (mi)	38	92	92	92	97
Lift Stations	66	67	67	67	67
Capacity (AWWF-Mgal/day)	22	22	22	22	22
Manholes	3,939	3,940	3,940	3,940	3,941
Treatment Facilities	4	4	4	4	4

All figures are based on a fiscal year calculation. The information provided is as of 06/30/18.  
Lake County Special Districts is the primary source for information gathered

2014	2015	2016	2017	2018
4	4	4	4	4
1	1	1	1	1
5,421	5,327	4,989	4,997	4,388
56,539	54,930	69,136	74,469	67,959
453	529	450	602	321
333	308	268	278	292
148	148	148	148	148
21	21	21	21	21
454	454	451	454	456
4,062	4,062	4,062	4,062	4,062
22	23	22	22	22
4,330	4,331	4,181	4,201	4,201
18	18	18	18	18
316	316	316	316	316
97	97	97	97	97
67	67	67	67	67
22	22	22	22	22
3,941	3,941	3,941	3,941	3,941
4	4	4	4	4